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[ISSUED SATURDAY, 6TH NOVEMBER, 1920.]



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES.

FIRST SESSION, 1920.

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EIGHTH PARLIAMENT.

FIRST SESSION.

Governor-General.*

His Excellency the Right Honorable HENRY WILLIAM, BARON FORSTER, a Member of His Majesty's Most Honorable Privy Council, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, and Commander-in-Chief in and over the Commonwealth of Australia.

* From 6th October, 1920.

Australian National Government.

(From 10th January, 1918.)

Prime Minister and Attorney-General	.. The Right Honorable William Morris Hughes, P.C., K.C.
Minister for the Navy	.. The Right Honorable Sir Joseph Cook, P.C., G.C.M.G.
	<i>Succeeded by</i>
	The Honorable W. H. Laird Smith (28th July, 1920).
Treasurer	.. The Right Honorable Lord Forrest, P.C., G.C.M.G.
	<i>Succeeded by</i>
	The Right Honorable William Alexander Watt, P.C. (27th March, 1918).††††
	<i>Succeeded by</i>
	The Right Honorable Sir Joseph Cook, P.C., G.C.M.G. (28th July, 1920).
Minister for Defence	.. The Honorable George Foster Pearce.
Minister for Repatriation	.. The Honorable Edward Davis Millen.
Minister for Works and Railways	.. The Right Honorable William Alexander Watt, P.C.
	<i>Succeeded by</i>
	The Honorable Littleton Ernest Groom (27th March, 1918).
Minister for Home and Territories	.. The Honorable Patrick McMahon Glynn, K.C.†††
	<i>Succeeded by</i>
	The Honorable Alexander Poynton, O.B.E. (4th February, 1920).
Minister for Trade and Customs	.. The Honorable Jens August Jensen.†
	<i>Succeeded by</i>
	The Right Honorable William Alexander Watt, P.C. (13th December, 1918).
	<i>Succeeded by</i>
	The Honorable Walter Massy Greene (17th January, 1919).
Postmaster-General	.. The Honorable William Webster.†††
	<i>Succeeded by</i>
	The Honorable George Henry Wise (4th February, 1920).
Vice-President of the Executive Council	.. The Honorable Littleton Ernest Groom.
	<i>Succeeded by</i>
	The Honorable Edward John Russell (27th March, 1918).
Honorary Minister	.. The Honorable Edward John Russell.
	Appointed Vice-President of the Executive Council, 27th March, 1918.
Honorary Minister	.. The Honorable Alexander Poynton.
	Appointed Minister for Home and Territories, 4th February, 1920.
Honorary Minister	.. The Honorable George Henry Wise.
	Appointed Postmaster-General, 4th February, 1920.
Honorary Minister	.. The Honorable Walter Massy Greene.
	Appointed Minister for Trade and Customs, 17th January, 1919.*
Honorary Minister	.. The Honorable Richard Beaumont Orchard.**
Honorary Minister	.. The Honorable Sir Granville de Laune Kyrie, K.C.M.G., C.B., V.D.††
Honorary Minister	.. The Honorable William Henry Laird Smith.††
	Appointed Minister for the Navy, 28th July, 1920.
Honorary Minister	.. The Honorable Arthur Stanislaus Rodgers.***

* Appointed 26th March, 1918.—† Removed from office, 13th December, 1918.—** Resigned office, 31st January, 1919.—†† Appointed 4th February, 1920.—††† Resigned 3rd February, 1920.—†††† Resignation from office gazetted, 15th June, 1920.—*** Appointed 28th July, 1920.

Senators.

(From 1st July, 1920.)

President—Senator the Honorable Thomas Givens.

Chairman of Committees—Senator Thomas Jerome Kingston Bakhap.

* Adamson, John, C.B.E. (Q.)	* Glasgow, Sir Thomas William, K.C.B., C.M.G., D.S.O. (Q.)
Bakhap, Thomas Jerome Kingston (T.)	* Guthrie, James Francis (V.)
* Benny, Benjamin (S.A.)	Guthrie, Robert Storrie (S.A.)
Bolton, William Kinsey, C.B.E., V.D. (V.)	Henderson, George (W.A.)
* Buzacott, Richard (W.A.)	Keating, Hon. John Henry (T.)
* Cox, Charles Frederick, C.B., C.M.G. (N.S.W.)	* Lynch, Patrick Joseph (W.A.)
Crawford, Thomas William (Q.)	Millen, Hon. Edward Davis (N.S.W.)
De Largie, Hon. Hugh (W.A.)	* Millen, John Dunlop (T.)
* Drake-Brockman, Edmund Alfred, C.B., C.M.G., D.S.O. (W.A.)	* Newland, John, C.B.E. (S.A.)
* Duncan, Walter Leslie (N.S.W.)	* Payne, Hon. Herbert James Mockford (T.)
Earle, Hon. John (T.)	* Pearce, Hon. George Foster (W.A.)
* Elliott, Harold Edward, C.B., C.M.G., D.S.O., D.C.M. (V.)	* Plain, William (V.)
Fairbairn, George (V.)	Pratten, Herbert Edward (N.S.W.)
Foll, Hattil Spencer (Q.)	Reid, Matthew (Q.)
Forster, George Matthew (T.)	* Rowell, James, C.B. (S.A.)
Forster, Albert (N.S.W.)	* Russell, Hon. Edward John (V.)
Givens, Thomas (Q.)	Senior, William (S.A.)
	Thomas, Hon. Josiah (N.S.W.)
	* Wilson, Reginald Victor (S.A.)

Chairman of Committees, 21st July, 1920. 2. Elected 13th December, 1919. Sworn 1920. 3. Appointed Temporary Chairman of Committees, 26th February, 1920. * Elected 13th December, 1919. Sworn 1st July, 1920.

which gives the Minister power to revoke a certificate of naturalization will show that he may take that action if he thinks fit on certain conditions, and one of those conditions is that the person concerned has been fined £100. When a person has paid a fine of £100, surely he has expiated his offence. That is the punishment provided by the law, but it is proposed in this Bill that in the case of a naturalized citizen of the Commonwealth, not only shall he have to bear that particular punishment, but, in addition, the Minister may take from him the right to hold property. The Minister will have the right of spoliation.

Mr. POYNTON.—If the honorable member followed that argument to its logical conclusion, where would it lead him?

Mr. RYAN.—It would lead me to considerably amend this Bill.

Mr. POYNTON.—The honorable member says that by the payment of such a fine the person concerned expiates his offence.

Mr. RYAN.—After he has paid that penalty he has expiated his offence.

Mr. PARKER MOLONEY.—Or if he has served a sentence of twelve months he has done so.

Mr. RYAN.—Yes; but the Government want, in addition, to take away such a man's right to citizenship, and so deprive him of his right to hold property. This means the spoliation of his property. Why should he pass such a provision? From what Act has it been taken? From the British Act?

Mr. POYNTON.—Yes, it is an exact copy of a provision in the British Act.

Mr. RYAN.—Then I have but one comment to offer, and that is that in Great Britain, as the honorable member for Angas (Mr. Gabb) has said, the administration of the naturalization laws during the war was far more reasonable than it was in Australia. There is no doubt as to that. The Government in Australia acted most capriciously. Persons were interned here simply because of representations made in regard to them, very often by political opponents. No one should know that better than the honorable member for Moreton.

Mr. WIENHOLT.—Does the honorable member speak of representations made by political opponents?

Mr. RYAN.—Yes, representations made by political opponents for political reasons. I know citizens of Queensland

who were interned, I have no hesitation in saying, for political reasons.

Mr. WIENHOLT.—It might have been for private reasons.

Mr. RYAN.—For opposing certain candidates who were standing for election in Queensland. A case of the kind occurred in the honorable member's own electorate. I think the honorable member knows to whom I am referring.

Mr. WIENHOLT.—There are a good many cases.

Mr. RYAN.—But I refer in particular to a professional gentleman at Gattton who was interned for some time. Why was he interned?

Mr. WIENHOLT.—I do not know. He has not told me.

Mr. RYAN.—Does the honorable member suggest that there was any sound reason for that gentleman's internment?

Mr. WIENHOLT.—I do not know the reason. He never came to me or told me of his case.

Mr. RYAN.—The honorable member knows to whom I am referring. Does he think there was any sound reason for his internment. I have here a report of an inspector of police from Toowoomba who was asked through the military authorities to investigate the matter. He was directed to obtain a statutory declaration in regard to this gentleman's alleged disloyalty. The minute reads—

Toowoomba advises—

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—Order! I would call the honorable member's attention to the fact that he is now seeking to anticipate the discussion of a motion which appears upon the business-paper.

Mr. RYAN.—What is that?

Mr. DEPUTY SPEAKER.—It relates to a list of internments.

Mr. RYAN.—I am now speaking upon the question of holding an inquiry.—

Mr. DEPUTY SPEAKER.—That matter appears upon the business-paper.

Mr. RYAN.—Then may I not refer to any inquiry?

Mr. DEPUTY SPEAKER.—Not in that connexion.

Mr. RYAN.—I was referring to the manner in which inquiries generally are conducted.

Mr. DEPUTY SPEAKER.—I did not call the honorable member to order for

making a reference to that matter, but because he was dilating upon internments, and was referring to a particular internment.

Mr. RYAN.—I was pointing out how that inquiry was conducted, because this Bill provides for the making of certain inquiries. If those inquiries are to be conducted upon similar lines to those which were adopted under the War Precautions Act, they will be worse than worthless. In the case to which I was referring, the Inspector of Police ascertained, upon inquiry, that the accused person was of good character, and was reputable and loyal. That was the report of the officer at Toowoomba. But what was the result? The accused person was interned. I might refer to many other instances of a similar character.

Mr. JAMES PAGE.—But that is one of the most glaring.

Mr. RYAN.—There were others just as bad.

Mr. PARKER MOLONEY.—I know of several cases in New South Wales which were just as bad.

Mr. RYAN.—How are we going to provide in a measure of this kind against a travesty of justice of that sort?

Mr. POYNTER.—By retaining me as the head of the Department.

Mr. RYAN.—I hope that the Minister does not wish to reflect upon any of his predecessors. As a matter of fact, the Department under which this so-called inquiry was conducted was the Defence Department. It may be that the Minister for Defence (Senator Pearce) is not as fair-minded as is the Minister for Home and Territories. However, I shall suspend judgment upon that matter, and, moreover, the latter has no lease of the office which he holds. For these reasons, I submit that the Bill, instead of extending the privileges enjoyed by citizens who have become naturalized in Australia will curtail those privileges. It will impose a distinct limitation upon persons who may come to this country hereafter, and become naturalized. In Committee, some amendments will require to be made to remove these blemishes, and to enable those persons who desire to become naturalized here to

do so under similar conditions to those which obtained under the old Act.

Question resolved in the affirmative.

Bill read a second time.

In Committee:

Clauses 1 and 2 agreed to.

Progress reported.

PAPER.

The following paper was presented:—
Railways Act—By-law No. 16.

MEMBERS' BILL FILES.

Mr. HECTOR LAMOND (Illawarra) [10.30].—There is a matter within your province, sir, which I should like to mention. During the last Parliament, the files which were previously supplied to honorable members, and in which they were accustomed to keep copies of Bills coming before this Chamber, were taken away from them upon the plea of economy. Personally, I find that I am now using about two dozen Bills, where formerly one was sufficient. I think you will find, sir, upon inquiry, that the so-called economy which has been imposed upon us is rather expensive. If you can restore the old practice, it will be a convenience to honorable members.

Mr. SPEAKER (Hon. Sir Elliot Johnson).—I was not aware that the files previously supplied to honorable members had been removed. I shall make inquiries into the matter, and see what can be done.

House adjourned at 10.31 p.m.

House of Representatives.

Friday, 29 October, 1920.

Mr. SPEAKER (Hon. Sir Elliot Johnson) took the chair at 11 a.m., and read prayers.

SPECIAL ADJOURNMENT.

Motion (by Mr. HUGHES), *by leave*, agreed to—

That the House, at its rising, adjourn until Wednesday next, at 3 p.m.

MEMBERS' BILL FILES.

Mr. SPEAKER.—With reference to the request made by the honorable member for Illawarra last night, I have to say that files of all Bills were kept in the chamber for each member for a number of years. It was found that many members did not use them, preferring to avail themselves of the copies of Bills placed on the table. Owing to the shortage of printing paper, it was arranged that fifteen files of Bills be placed in various parts of the chamber in lieu of supplying one file to each member. This has resulted in a considerable saving in printing paper, as well as in the expense of keeping the files in repair. There is still a serious shortage of printing paper, and every effort is made to keep the number of documents printed down to a minimum without inconveniencing members. A file of Bills will be supplied to any member who desires to have them and notifies the Clerk accordingly.

INDUSTRIAL PEACE ACT.

ACTION TO TEST VALIDITY.

Mr. CHARLTON.—I ask the Prime Minister whether the Government intend to be adequately represented by counsel in connexion with the appeal against an award affecting the constitutional validity of portions of the Industrial Peace Act?

Mr. HUGHES.—Certainly; we shall defend the constitutionality of the Act.

CANCELLATION OF
SHIPBUILDING CONTRACT.

Mr. HUGHES (Bendigo—Prime Minister and Attorney-General) [11.4].—(By leave.)—It will be within the knowledge of honorable members that an agreement was made between the Commonwealth Government and Messrs. Kidman and Mayoh for the building of wooden vessels. The firm now asks to be relieved of its contract. Parenthetically, I may add that arrangements were entered into with Messrs. Burns, Philp, and Company for the purchase of the ships. The contractors point out that they have met with considerable difficulty and unavoidable delays in the carrying out of the work, with the result that the cost of the

vessels to date has greatly exceeded the amount anticipated, and more has already been spent on them than they should cost when completed. Owing to its scarcity, the cost of certain classes of timber required for the ships has greatly exceeded the contractors' estimate. They say, too, that the decision of the Government to sell the vessels to Messrs. Burns, Philp, and Company in anticipation of completion has resulted in complications and added to the expenditure because of extra work in the way of alterations required by the company, and the omission of the Diesel engines originally specified for has varied the work, and finality has not been reached respecting the reduction which should be made in the contract price by reason of it. There are also certain other matters in dispute. Since the first vessel was launched, a hog has developed, which in all probability will prevent the contractors from obtaining a Lloyd's certificate for her, which is required by the agreement. As matters stand, there would appear to be little chance of arriving at a settlement of the various questions in dispute without entering into costly and probably unsatisfactory legal proceedings. The contractors, therefore, ask to be relieved of their contract, and that the whole matter be referred to the Public Works Committee, with a view to a report being furnished and a decision obtained as to the conditions of the release. The contractors say that they are willing to abide by the decision of the Committee whatever it may be. In all the circumstances, I think that it would be in the interests of the Commonwealth to relieve them of their contract, and, therefore, I move—

That the following matter be referred to the Parliamentary Standing Committee on Public Works for investigation and report—

The advisability of complying with the request of Messrs. Kidman and Mayoh to be relieved of the obligation to complete the contract entered into by them, on the 4th August, 1919, to build two wooden vessels for the Commonwealth, and the conditions upon which such relief, if deemed advisable, should be granted; and that the Committee be authorized to proceed with its investigations whilst the House is sitting.

I may add that I have seen the two vessels, one of which is within three weeks

of being ready for sea, and the other not quite so forward. It was proposed to sell them to Messrs. Burns Philp, and Company, but that firm required certain alterations in them, involving the expenditure of many thousands of pounds. As their demands varied from time to time, I gave them forty-eight hours to say whether they would buy the ships at the price agreed on, and as they stood, without further alterations, which they declined to do, insisting on alterations being made. These vessels will carry wheat, and also copra, and we badly want tonnage for the transport of both commodities. They can be made ready for sea within six or eight weeks. Unless we take the course that I propose, we shall have to go to law with the contractors, and I think it is better to let the Public Works Committee decide the matter. The members of the Committee can be trusted to conserve the interests of the Commonwealth. As the representative of one of the parties, I think that we should be well advised to refer the matter to the Public Works Committee, and thus get it settled. I have taken a great deal of trouble to ascertain the facts, and to straighten things out, and strongly recommend that course. The Committee consists of members of this House and the Senate, and may be trusted to come to an expeditious and righteous decision.

Mr. TUDOR (Yarra) [11.10].—Apparently the shipbuilding that has been carried on by private enterprise within the Commonwealth has proved a failure. Honorable members opposite have favoured private enterprise as against Government control, and some of them opposed the building of vessels at the Government yards at Cockatoo Island, Williamstown, Walsh Island, and elsewhere, saying that we could do better, and get ships built more cheaply, if we trusted to private enterprise. Now Messrs. Kidman and Mayoh ask to be relieved of their contract, and the Wallace Power Boat Company have been relieved of another contract. Were I asked to choose between the course adopted in the latter case and that now proposed, I would infinitely prefer the present procedure, because everything will be done in the light of day. The honorable member for Dalley (Mr. Mahony), in whose electorate a great deal of the shipping work has been

carried out, knows more of these matters than I do, and, no doubt, will have something to say about them. Not only has private shipbuilding failed in the Commonwealth, but the ships which we had built for us at Seattle by private firms came to us in the condition of sieves.

Mr. WATKINS.—And cost more for extras than their original price.

Mr. TUDOR.—Yes. The following members of this House and the Senate make up the Public Works Committee:—Senators Foll, Newland, and Plain, and Messrs. Atkinson, Bamford, Gregory, Mackay, Mathews, and Parker Moloney; but as this is a special matter, I think it had better be referred to a special Committee, composed of members familiar with the work to be investigated. In saying that, I in no way reflect on the ability or honour of the members of the Works Committee. Messrs. Kidman and Mayoh say that they are willing to accept the verdict of that Committee, but possibly this House might treat the Committee's report as it has treated its report on the proposal to transfer the Notes Printing Office from the King's Warehouse to the Victoria-parade site:

Mr. HUGHES.—If you do not agree to my proposal, Messrs. Kidman and Mayoh will say, "As you are insisting on a second voice, we must have the same." What is needed is finality. Without a decision in the manner I suggest, they will go to law. Some persons think a lot of the law.

Mr. TUDOR.—I have not much admiration for the law, except as a costly institution for suitors which benefits the lawyers. The more one knows of the law the less he likes it. I think that there should be a special Committee to deal with this matter.

Mr. HUGHES.—The suggestion of a special Committee re-opens the whole case. What I propose is the result of long negotiations.

Mr. TUDOR.—I think that the matter should be dealt with by a special Committee. In no case should the Public Works Committee's decision be final, because its members, like other persons, are capable of making mistakes. It is a gross reflection on private enterprise that it has been unable to conduct shipbuilding satisfactorily either to those engaged in the work or to the Commonwealth.

Mr. MAHONY (Dalley) [11.15].—I am somewhat favorable to having a Committee to investigate, not only the matters spoken of by the Prime Minister, but everything connected with the building of wooden ships, both here and in America. So far as referring this matter to the Public Works Committee is concerned, I think it would be a mistake to adopt that course. It would be far better for the House to appoint a Select Committee to deal with it. The members of the Public Works Committee already have quite a number of important questions engaging their attention, and there are other matters which must be referred to that body in the immediate future if our public works policy is to be proceeded with. Consequently, that Committee will be loaded up with work. We must also recollect that the Public Works Committee was constituted by a special Act of Parliament for a specific purpose.

Mr. HUGHES.—I was just endeavouring to ascertain whether the firm which is involved in this dispute with the Commonwealth will agree to the proposal that the matter should be referred to a Select Committee. I will accept the finding of the Committee, of course. But there are other complications. We propose to refer the matter to the Public Works Committee, because that body has some legal status.

Mr. MAHONY.—Has it the legal status to deal with this matter? It was appointed to inquire into specific proposals for the expenditure of large sums of public money. That is quite a different matter from inquiring into a dispute between a private firm of contractors and the Commonwealth.

Mr. HUGHES.—I would point out to the honorable member that it will be useless for us to agree to a motion for a Select Committee if the firm in question will not concur in the course which is being followed.

Mr. MAHONY.—I have not the slightest hesitation in saying that I believe the firm will agree to the course which is proposed.

Mr. HUGHES.—Then I have no objection. If the honorable member likes, I will accept the suggestion that the matter shall be referred to a Select Committee

consisting of a similar number of members of this Parliament as compose the Public Works Committee.

Mr. MAHONY.—In my opinion, the matter is one which does not require to be investigated by a large Committee. It needs a Committee consisting of men who have some grip of it.

Mr. TUDOR.—But the Committee must consist of a certain number of members from another place.

Mr. MAHONY.—We ought not to rush this proposal through the House too quickly.

Mr. HUGHES.—We had better stick to a Committee of nine, composed of six members of this House and three members of another place.

Mr. MAHONY.—The Prime Minister agrees that a Committee of members of Parliament shall be appointed to investigate the matter?

Mr. HUGHES.—Yes.

Mr. MAHONY.—That being so, I should like to know what are to be the functions of the Committee. Will its members be restricted to an endeavour to make an arrangement with the firm of Messrs. Kidman and Mayoh, or will they have an opportunity of investigating the whole of the surrounding circumstances?

Mr. HUGHES.—The whole of the surrounding circumstances—the workmanship of the ships, the specifications, the extent to which the specifications have been departed from, at whose instance they were departed from, whether the vessels are seaworthy, their contract price, whether we ought to be bound by that price, and, indeed, the whole thing.

Mr. MAHONY.—Will they also have the right to consider whether the contract for the building of these two vessels ought not to have been cancelled at the time the contracts for the construction of other vessels were cancelled?

Mr. HUGHES.—No. After all, we are endeavouring to ascertain how much the Commonwealth ought to pay.

Mr. MAHONY.—Why is it that the Commonwealth is called upon to pay anything? Where did the initial error take place?

Mr. HUGHES.—There is the contract.

Mr. MAHONY.—That is the point. It may be that that was the initial error—that it was a mistake to enter into the

contract. Upon the other hand, it may be that the initial error was in failing to cancel the contract at the time the contracts for the construction of other vessels were cancelled.

Mr. HUGHES.—We want a recommendation as to how much we should pay in order to get these ships. If we did not want the vessels I would not move my finger in the matter, and would allow the dispute go to law. But we do want the vessels.

Mr. MAHONY.—That is all right, so far as it goes.

Mr. WISE.—That is the whole issue.

Mr. MAHONY.—There is more in it than that.

Mr. HUGHES.—The honorable member wants the Committee to inquire into the question of whether we ought to have ordered the vessels in the beginning.

Mr. MAHONY.—No. But I want the Committee to inquire whether the Government should not have secured the cancellation of the contract for the construction of these vessels when other shipbuilding contracts with this very firm of Messrs. Kidman and Mayoh were cancelled, and when the firm was paid £70,000 by way of compensation. The Government then agreed that the building of the *Burnside* and *Braeside*, the two vessels which form the subject of the present dispute, should be proceeded with. The Committee should be empowered to inquire why the contract for the building of these vessels was not cancelled when other shipbuilding contracts were cancelled.

Mr. HUGHES.—It was not cancelled, because these ships were then in process of construction.

Mr. MAHONY.—There were vessels in process of construction at that time by the Wallace Power Company. At Woolwich to-day, honorable members may see the skeletons of these vessels the contract for the construction of which was cancelled by the Government undertaking to pay that company compensation to the extent of £50,000. The Prime Minister's contention, therefore, will not hold good.

Mr. HUGHES.—Very great headway had been made with the construction of the *Burnside* and *Braeside*.

Mr. MAHONY.—Now?

Mr. HUGHES.—No, then.

Mr. MAHONY.—One of these vessels, so far as actual construction is concerned, is nearly complete. Whether she is fit to proceed to sea, is another matter. But the *Burnside* was not in being at the time of which I am speaking.

Mr. HUGHES.—Why waste more time?

Mr. MAHONY.—I resent that suggestion by the Prime Minister. The contract for the construction of these vessels has cost the Commonwealth some hundreds of thousands of pounds, and I have a right to stand up here and talk about it. Neither the Prime Minister nor any other honorable member has a right to suggest that I am wasting time.

Mr. HUGHES.—Are we not proposing to refer the dispute to a Select Committee?

Mr. MAHONY.—But I desire to see a Committee appointed which will be empowered to investigate the matter fully.

Mr. HUGHES.—The honorable member wishes to make it a political inquiry.

Mr. MAHONY.—I do not. The Prime Minister may appoint whoever he chooses upon the Committee. The Government have the power and the numbers to place upon the Committee just what members they may think fit. This matter ought to be investigated by a Select Committee, and the Commonwealth ought not to be forced to go to law.

Mr. McWILLIAMS.—It should be investigated by a Royal Commission, and not by a Select Committee.

Mr. MAHONY.—I want something more than is proposed by the Prime Minister. If the right honorable gentleman is prepared to agree to the appointment of a Select Committee which shall have power to conduct an inquiry upon the lines I have suggested, I have no objection to his proposal.

Mr. HUGHES.—I am willing to amend my motion so as to make it provide for the appointment of a Select Committee of seven members of this Parliament—five from the House of Representatives and two from the Senate.

Mr. TUDOR.—How will the Prime Minister apportion representation upon the Committee?

Mr. HUGHES.—I shall not attempt to do that now. I shall do it only after consultation with the honorable member

and with the honorable member for Franklin (Mr. McWilliams).

Mr. McWILLIAMS.—May I suggest that a Royal Commission should be appointed instead of a Select Committee?

Mr. SPEAKER.—Order!. It is almost impossible for me to follow what is being said owing to the frequency of interjections and the general hum of conversation.

Mr. MAHONY.—How many members of the Committee does the Prime Minister think should come from the Opposition side of the chamber, how many from the Government side, and how many from the Corner party?

Mr. HUGHES.—When the actual *personnel* is brought here, the honorable member will be able to scrutinize it, and to say whether it is satisfactory or otherwise.

Mr. MAHONY.—But in matters of this sort there is usually an arrangement made.

Mr. HUGHES.—I will bring along the names of the members whom it is proposed to appoint, and the honorable member will then be able to say whether they shall form the Committee or not.

Mr. MAHONY.—It is not a question of names, but there must be a fair representation of the different parties in this Parliament.

Mr. HUGHES.—Will not the names show from whence the proposed members of the Committee come?

Mr. SPEAKER.—I must ask the honorable member for Dalley to address the Chair, and not to continue a conversation with the Prime Minister.

Mr. MAHONY.—I am anxious to do so, but this a very important matter.

Mr. SPEAKER.—It is not proper for the honorable member to carry on a private conversation with the Prime Minister across the table.

Mr. MAHONY.—Very well. I consider that a Select Committee should be appointed to deal with this matter—

Mr. McWILLIAMS.—It should be a Royal Commission, and not a Select Committee.

Mr. MAHONY.—That is so. I am very glad the honorable member has reminded me of that fact, because he and I have recently had rather an unpleasant experience of the difference between two

such bodies in connexion with an inquiry which we were conducting as members of a Select Committee. We discovered that, because we were a Select Committee, our powers were very limited. I think, therefore, that a Royal Commission should be appointed.

Mr. HUGHES.—I cannot agree to that. I brought forward this motion, but I shall withdraw it and let the matter go to law if there is to be any further objection.

Mr. MAHONY.—If the Prime Minister chooses to exhibit temper in regard to the matter, that is his affair, but it will involve a loss to the country. If the Commonwealth has to submit to a loss of thousands of pounds merely because he chooses to lose his temper, the Commonwealth will know what to do.

Mr. HUGHES.—I give way to the honorable member in everything he wants, and yet he keeps on asking for more, and more, and more. *Oliver Twist* was a fool to him.

Mr. MAHONY.—Will the Prime Minister agree to the Committee being vested with the power for which I have been contending?

Mr. HUGHES.—I will give it all the power that I can.

Mr. SPEAKER.—Order! This conversation is absolutely irregular, and must not be continued.

Mr. MAHONY.—I desire that the Committee shall have ample powers to inquire into this matter, and shall not be restricted in their investigations.

Mr. HUGHES.—I have said that they should have the power, and they shall. We will give them all the power that we have.

Mr. MAHONY.—All the power that we have?

Mr. HUGHES.—Can I give them any more?

Mr. MAHONY.—If the Prime Minister will agree that the Committee shall have all the power which this House can confer upon it, I will accept the proposal.

Mr. FLEMING (Robertson) [11.31].—There is only one point to which I desire to refer. It seems to me that this is an inquiry which should naturally fall within the province of the Public Accounts Committee, and, that being so, I

fail to understand why the Public Works Committee should be asked to undertake it.

Mr. HUGHES.—They are not now going to inquire into the matter at all.

Mr. FLEMING.—Why is it necessary to appoint a Special Committee when this House has already appointed one which should properly deal with the question?

Mr. HUGHES.—I saw the Chairman of the Public Accounts Committee (Mr. Fowler), who told me that it was busily engaged on another urgent matter. That is why it is not to go to that Committee.

Mr. FLEMING.—But the inquiry on which the Public Accounts Committee is now busily engaged is not to continue indefinitely. Why, then, should we create a Committee on Committee?

Mr. HUGHES.—This is an urgent matter.

Mr. FLEMING.—If this is an urgent matter, demanding immediate inquiry, I shall not protest against the proposal; but in bringing it before the House, the Prime Minister did not make it evident that the question was so urgent that the Public Accounts Committee could not take it in hand.

Mr. McWILLIAMS (Franklin) [11.34].—To the suggestion that the matter should be referred to a Committee of inquiry there can be practically no objection; but, having regard to the recent experience of the Select Committee on Sea Carriage, I think a Select Committee under the Standing Orders is exceedingly restricted. A proper inquiry into this matter can be made only by a Royal Commission.

Mr. BURCHELL.—In what way is a Select Committee restricted under the Standing Orders?

Mr. McWILLIAMS.—In the first place, it must obtain the consent of the House to meet while the House is sitting, and must also secure permission from the House if it desires to make inquiries in the several States. The greater part of this inquiry will undoubtedly take place in New South Wales, and, that being so, the proposed Select Committee will be far more hampered in its operations than a Royal Commission would be. A Royal Commission would be bound by the terms of its com-

mission, and could not go outside them. As one who has sat on various Select Committees and Royal Commissions, I unhesitatingly say that, in order that this matter may be thoroughly investigated, it is absolutely essential that the Committee of inquiry should have the powers of a Royal Commission. If the Government will not accept that view—

Mr. HUGHES.—I do not accept it.

Mr. McWILLIAMS.—Then I move—

That the words "the Parliamentary Standing Committee on Public Works" be left out, with a view to insert in lieu thereof the words "Royal Commission consisting of members of this House."

Mr. RYAN (West Sydney) [11.37].—I understood the honorable member for Franklin (Mr. McWilliams) to say that he would move an amendment—

Mr. McWILLIAMS.—I have done so.

Sir JOSEPH COOK.—And before the honorable member says another word, we know that he will agree with the amendment.

Mr. RYAN.—I am not going to be "bluffed" by the Treasurer (Sir Joseph Cook). I wish to state briefly how the matter presents itself to my mind. The Prime Minister (Mr. Hughes) came down to the House this morning, asked leave to move a motion without notice, and having obtained that leave moved what, in my opinion, is a very important motion requiring careful consideration by honorable members. This is not a matter that can be determined by conversations across the table. It is one in which every honorable member is interested. I, for one, want to know what necessity there is for this reference to a Committee. It may be that there are sufficient reasons. Apparently the Government let a contract to Messrs. Kidman and Mayoh for the construction of certain ships, and Messrs. Kidman and Mayoh now desire to have that contract cancelled. That is what I gather from the Prime Minister's statement, and he says, in effect, to the House, "If you do not allow this reference to a Committee which it is proposed to appoint to act as arbitrators, there must be a resort to the law." If the Government conducts its business properly it should not be afraid of any law in regard to the carrying out of a contract, provided that the contract was in definite terms.

Mr. STEWART.—Who drew up the contract?

Mr. RYAN.—I do not know; and before I shall be prepared to refer a matter of this sort to some Committee, the majority of which will consist of supporters of the Government, I shall want to know why it is necessary for the Government not to insist upon the performance of the contract, whatever it may be. Is not the contract a definite one? If it is a definite contract, then what need can there be to refer it to a Committee? Why this rushing of the whole matter? Why all this urgency? This work has been going on for quite a long time, but the Prime Minister suddenly finds it necessary to rush in with a motion concerning a matter which I am sure not one-fourth of the members of the House fully understand. Before I agree to any motion I want to understand exactly what it is proposed to do, and why it is necessary to carry such a motion. Why should it be necessary to refer to a Select Committee the question of whether or not a particular firm shall be compelled to carry out its contract? The whole position should be clearly and definitely stated in the contract as between the Government and the contractors. That being so, I am not prepared to agree to the reference at all, until something more definite is put before the House.

If there is to be a reference, then I agree with the honorable member for Franklin that it should be to some body that is clothed with full power to investigate the whole subject.

Mr. RICHARD FOSTER.—It is really a Board of Arbitrators that is suggested.

Mr. RYAN.—Then should not the Government be able to say on what grounds they should refer the dispute to arbitration?

Mr. HUGHES.—Under the contract, the contractors can go to arbitration on all these points, and defy us. We are entirely at their mercy. If they say they want to go to arbitration, then there must be a resort to arbitration.

Mr. BRENNAN.—Where is the contract?

Mr. HUGHES.—It is in your office. At least it should have been had you been alert in your business.

Mr. RYAN.—It is useless for the Prime Minister to joke about this matter.

If the contractors have the right to refer the question to arbitration—

Mr. HUGHES.—They have.

Mr. RYAN.—Then why not refer it to arbitration?

Mr. HUGHES.—The contractors have selected this form of arbitration.

Mr. RYAN.—If that is so, it is for the Government to take the responsibility of any reference, and not to come down to this House and try to shuffle the responsibility on to honorable members.

Mr. HUGHES.—The honorable member is suggesting that we should go behind the back of Parliament?

Mr. RYAN.—No; but while I am a member of this House I am not going to allow the Prime Minister to shuffle on to it a responsibility which is properly that of Cabinet Ministers. The right honorable gentleman has a habit of doing that sort of thing. He rushes into the House, obtains leave to move a motion without notice, and shoves on to some one else's shoulders responsibilities that are properly his own.

Sir JOSEPH COOK.—And if we undertook that responsibility the honorable member would say that we ought not to have done so.

Mr. RYAN.—Not at all. If we accept this proposal the Prime Minister will be able to say, later on, "I referred the matter to the House. This is a matter with which the Public Works Committee, the Public Accounts Committee, or some other Select Committee has dealt with." If that sort of reference is to be made, it should be provided for before a contract is entered into. In that event, the responsibility would from the beginning rest upon the Committee. But what the Prime Minister does is to come to the House, and to shuffle off his responsibility when he is getting into a hole.

Mr. HUGHES.—We have not got into a hole.

Mr. RYAN.—The right honorable gentleman tries to put on the shoulders of the Committee what is properly the responsibility of the Cabinet. In the circumstances, I take it that the Government will not rush this motion, but will give time for its proper consideration.

Mr. HUGHES.—It makes no difference to me. If the wheat-growers want ships to carry away their produce—

Mr. RYAN.—More bluff! The right honorable member threatened just now to withdraw the motion. That, too, was pure bluff. I do not care whether he withdraws it or not. There is always an excuse offering for shuffling out of Government responsibility, and covering up any particular transaction. If there is to be an inquiry into this matter, then by all means let it be carried out by a Royal Commission. As suggested by the honorable member for Franklin, a Royal Commission would have full power to investigate the matter. I agree with that, and will support the amendment.

Mr. GREGORY (Dampier) [11.43].—This matter was mentioned to me a few days ago, and I understood that it was of very great urgency. I gathered that a contract had been entered into; that trouble had arisen in connexion with it; that a resort to arbitration would mean indefinite delay, and that it was extremely desirable that these vessels should be available at the earliest possible moment. I was asked whether the Public Works Committee would undertake an inquiry, so as to be able to make a recommendation to the Government.

Mr. RYAN.—Who approached the honorable member?

Mr. GREGORY.—The Secretary to the Prime Minister. So far as I know, there is no suggestion of anything that would require investigation at the hands of a Royal Commission. There is nothing demanding a special investigation other than can be secured under the Statute controlling the Public Works Committee. The Committee has full power to take evidence on oath. In ordinary circumstances the reference should undoubtedly have been to the Public Accounts Committee. That Committee, however, is engaged upon a special investigation, which it is estimated will occupy its attention for three weeks of a month. The House was particularly anxious that the Public Accounts Committee should immediately undertake the inquiry upon which it is now working. I had no desire to have anything to do with this inquiry, because I thought that the questions involved were very intricate. I was told that the matter was one of urgency, and on looking up the Public Works Committee Act I found that such

a reference clearly comes within the powers of the Committee. As Chairman, I promised that the Committee would undertake the work, though personally I had not the slightest desire for it.

Mr. RYAN.—Did the honorable member consult the members of the Works Committee?

Mr. GREGORY.—One or two.

Mr. TUDOR.—The members on this side say that they were not consulted.

Mr. GREGORY.—I do not think the honorable member for Melbourne Ports will say that.

Mr. MATHEWS.—This is the first I have heard of the matter.

Mr. GREGORY.—I said that if the matter was referred to the Public Works Committee I, as Chairman, could see no objection to our undertaking the inquiry, but we had no great desire for it. The Government were very desirous of coming to some finality so that the ships could be either disposed of or fixed up and put into commission. For that reason I consented to the Committee undertaking the inquiry. If Parliament is agreeable, there is ample power for the Committee to make the inquiry, provided the reference is complete enough to allow us to make every investigation. It is for the House to say whether the Committee is competent to prepare a report that will be satisfactory to Parliament, and enable the Government to carry out whatever is determined in relation to the contract.

Mr. MATHEWS (Melbourne Ports) [11.47].—We are in a peculiar position. I understand that what is required is more in the nature of arbitration than an inquiry, and it was suggested that the Public Works Committee should be the arbitrator. My opinion is that the members of that Committee are quite as competent to consider the matter as would be any other Committee appointed by the House, despite the fact that honorable members may be attacked individually.

Mr. GREGORY.—Do not forget that the Committee has power to appoint assessors; I omitted to mention that fact.

Mr. MATHEWS.—Peculiar attacks are made on members of the Works Committee, but everybody is liable to that

sort of thing, and must put up with it. Personally, I am not hankering after this job. The Works Committee already has plenty of work to do. But I do think that if the matter is not referred to the Public Works Committee it should be referred to the Public Accounts Committee. I can see no necessity for the appointment of a special Select Committee. If an inquiry into the whole question were desired, and there were any suggestion of something shady in the transaction, a Royal Commission should be appointed.

MR. HUGHES.—There is nothing of that at all.

MR. MATHEWS.—I understand that the proposal is simply to appoint a Committee as arbitrator. If the House does not think that the Public Works Committee is competent to deal with the matter the inquiry should be intrusted to the Public Accounts Committee. If neither of those bodies is acceptable, Parliament should abolish both of them.

MR. HUGHES (Bendigo—Prime Minister and Attorney-General) [11.49].—The honorable member who has just resumed his seat has dealt with the matter very fairly. The points to be settled are perfectly clear and arise out of the attempt of the contractor to carry out his contract. The Government, through its departmental officers, made repeated demands for variations, additions, and alterations to the vessels, some of which the contractor said were outside the scope of the contract. The Government said they were not. The Diesel engines were taken out of the vessels, and the contractor claims an allowance for them. The Government say that he has an allowance, inasmuch as he has the engines. Still, the amount is in dispute. Then it was suggested that the ships be sold to Burns, Philp and Company for a certain price. Burns, Philp and Company asked that some alterations should be made. The contractor made the alterations at a cost of £13,000 to £15,000. Burns, Philp and Company then asked for further alterations, and the contractor asked who would pay him for them. Thus there is a dispute between the parties as to how much is owing to the contractor. All the Committee has

to do is to arbitrate in that matter. In order to give the House an opportunity of expressing its view, I shall adhere to the motion I submitted. If any member of the Opposition moves that the reference be to a Select Committee, the honorable member for Franklin (Mr. McWilliams) may move to substitute a Royal Commission. The matter can be decided in that way. If the House thinks that the matter should be referred to a Select Committee, I shall offer no objection, but I shall take exception to the appointment of a Royal Commission, because such a course would be absurd: No witnesses need be heard other than the parties themselves. We have only to appoint an arbitrator, and the whole of the information is available. All the Committee need do is to consider that information and look at the ships to see if they are seaworthy and the work done to them is worth the money that is claimed by the contractor.

MR. MAHONY.—May not we move an amendment to the motion?

MR. SPEAKER.—The Prime Minister has replied, and it is too late for an amendment to be moved now.

MR. TUDOR.—The Prime Minister certainly gave me to understand that he would move for a Select Committee, and I accepted that.

MR. HUGHES.—That is all right, but no sooner did I accept that, than another proposal was made for the appointment of a Royal Commission. I will not agree to that.

MR. SPEAKER.—There is only one proposal before the Chair, and that is the motion to refer this matter to the Public Works Committee. If honorable members desired to substitute any other proposal, they should have moved to amend the motion according to the Standing Orders.

MR. TUDOR.—Mr. Speaker—

MR. SPEAKER.—The honorable member may not speak now, the Prime Minister having replied, and thus closed the debate.

MR. MAHONY.—What about the amendment moved by the honorable member for Franklin (Mr. McWilliams)?

MR. SPEAKER.—There is no amendment before the House. An amendment

must be moved and seconded, and submitted in writing, duly signed, before it can be proposed from the Chair.

Question—That the motion be agreed to—put. The House divided.

Ayes	34
Noes	15

Majority	19
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AYES.

Atkinson, L.	Jackson, D. S.
Bamford, F. W.	Jowett, E.
Bell, G. J.	Lamond, Hector
Blundell, R. P.	Lister, J. H.
Bruce, S. M.	Mackay, G. H.
Cameron, D. C.	Marks, W. M.
Chanter, J. M.	Marr, C. W. C.
Cook, Sir Joseph	Mathews, J.
Cook, Robert	Maxwell, G. A.
Corser, E. B. C.	Poynton, A.
Fleming, W. M.	Rodgers, A. S.
Foster, Richard	Ryrie, Sir Granville
Greene, W. M.	Smith, Laird
Gregory, H.	Wise, G. H.
Groom, L. E.	
Higgs, W. G.	
Hill, W. C.	
Hughes, W. M.	

Tellers:

Burchell, R. J.
Story, W. H.

NOES.

Brennan, F.	Page, James
Charlton, M.	Ryan, T. J.
Considine, M. P.	Stewart, P. G.
Gabb, J. M.	Tudor, F. G.
McDonald, C.	Watkins, D.
McGrath, D. C.	
McWilliamis, W. J.	
Moloney, Parker	

Tellers:

Mahony, W. G.
Riley, E.

PAIRS.

Bayley, J. G.	Blakeley, A.
Best, Sir Robert	Maloney, Dr.
Bowden, E. K.	Catts, J. H.
Chapman, Austin	Lavelle, T. J.
Fowler, J. M.	Fenton, J. E.
Francis, F. H.	Lazzarini, H. P.
Livingston, J.	Cunningham, L. L.
Watt, W. A.	Anstey, F.
Gibson, W. G.	Nicholls, S. R.
Prowse, J. H.	West, J. E.
Hay, A.	Makin, N. J. O.

Question so resolved in the affirmative.

WAR SERVICE HOMES.

Mr. MARR.—I ask the Acting Minister for Repatriation whether further consideration has been given to the eligibility of blind, tubercular, and limbless and maimed soldiers to participate in the benefits conferred by the War Service Homes Act.

Mr. RODGERS.—As members of the Australian Imperial Force, all those soldiers are eligible for participation in the benefits of the War Service Homes Act. Provision has been made outside the Act for temporary treatment in institutions, such as hostels. While soldiers remain inmates of those institutions, they are not eligible; but if, in the opinion of the Commissioner and the soldier himself, it would be more effective to provide a home, that may be done. No disability is placed upon the individual soldier, but each case is considered on its merits.

NAVAL PRIZE MONEY.

Mr. MARKS.—Has the Minister for the Navy seen in the press of last night and to-day a statement, apparently issued from the Navy Office, dealing with naval prize money, and the participation by Australians therein? As the Minister knows, I have been in conference with him on this matter, and with his knowledge put on the notice-paper a question concerning it. I now desire to ask him whether the statement appearing in the press was issued with his authority instead of being made on the floor of the House in answer to the question which I put on the notice-paper?

Mr. LAIRD SMITH.—As the honorable member's question appears on the notice-paper, I doubt whether I shall be in order in replying to it now.

Mr. SPEAKER.—The question now put by the honorable member for Wentworth is not identical with that which appears on the notice-paper. I understand that he is asking the Minister why a certain course was taken, and if it was taken with his knowledge.

Mr. LAIRD SMITH.—I gave no authority to the officials of the Navy Department to give the information to the press.

BLIND PENSIONERS.

Mr. RYAN.—I wish to ask the Treasurer, without notice, a question regarding the payment of pensions to the blind. In Queensland recently the minimum wage was raised for blind workers from 35s. to 40s. per week, and in consequence a reduction of 2s. 6d. per week was made in the

pension payable to those workers. That is, it was reduced from 7s. 6d. to 5s. per week. Will the Treasurer have the amount restored to 7s. 6d.?

Sir JOSEPH COOK.—I am glad the honorable member has brought this subject up, because it gives me an opportunity to say that the other day I received a deputation from all sides of both Houses regarding it. My inclination was then, and is still, to permit the blind pensioner, who is otherwise hale and well—his only disability being his blindness—to earn up to the minimum wage, including his pension. I asked honorable members who were on that deputation to ascertain if the opinion of the House would be favorable to putting through a very short measure, dealing with that subject only, without any delay. I regret to say that I have been informed that the honorable member's side of the House will not agree to an arrangement of that kind.

Mr. RILEY.—That is not true so far as I am concerned.

Mr. MAHONY.—Nor so far as I am concerned.

Sir JOSEPH COOK.—I am informed that it is the intention to load the Bill with other amendments if I bring it forward.

Mr. MAHONY.—Who told you?

Mr. TUDOR.—That is quite right. Some of our fellows said they would object.

Sir JOSEPH COOK.—I am surprised at the Deputy Leader of that party raising this question. He ought to know, if he does not, exactly what the position is.

Mr. CONSIDINE.—The matter should be threshed out on the floor of the House, and not settled by private agreement.

Sir JOSEPH COOK.—I am suggesting that it should be threshed out here; but I asked for an undertaking, to which I think I am entitled. When I try to meet the difficulty arising out of the position of blind soldiers alone, I may fairly ask for a guarantee by the House that the whole question of pensions will not be raised.

Mr. McWILLIAMS.—You may have a guarantee from this party that it will not be raised.

Sir JOSEPH COOK.—Thanks; but I cannot get it from the Opposition.

Later:

Mr. TUDOR.—May I ask the Treasurer a question arising out of his recent

statement? I am sure he was not anxious that any person should be misrepresented. I was one of the deputation that waited on him, and I informed him that I would consult the members of my party. I did consult them. Did I not inform him that they said they desired to obtain the same treatment for invalid pensioners in certain cases as was proposed for the blind, and to amend the Bill in that way, not that they were going to overload it with amendments?

Sir JOSEPH COOK.—It is quite true that the honorable member did tell me that members—

Mr. MAHONY.—Then why did you not say so?

Sir JOSEPH COOK.—I did say so. I said distinctly that I had been informed that they would not give this simple Bill a clear passage, but intended to load it with other amendments, opening up new ground. That is the statement I made, and that now receives confirmation at the hands of the Leader of the Opposition.

Mr. TUDOR.—I think you have gone very much wider than my statement.

Sir JOSEPH COOK.—I assure the honorable member that I have not.

Mr. MAHONY.—Drop the killick; you are drifting.

Sir JOSEPH COOK.—May I ask the Leader of the Opposition a question, to clear this matter up?

Mr. SPEAKER.—Order! I should not have allowed the Leader of the Opposition to ask the question, because it disregarded the well-known rule that questions arising out of the answers of Ministers to previous questions must not be put. I thought in this case that it might be allowed, as the House was interested in the matter, but I see that I should not have relaxed the rule. Honorable members see how the matter has developed into an irregular debate. It cannot be allowed to go further.

Later:

Mr. MARR.—Is the Treasurer prepared now to bring in a Bill to deal with the question of blind soldiers' pensions?

Sir JOSEPH COOK.—If I have the assurance of the honorable members of the House, particularly of the Opposition, that they will not broaden the scope of the proposal to deal with the blind soldiers, I shall bring it in at once.

Mr. BRENNAN.—You will get no assurance from me that I will restrict my right to discuss a Bill in this House. When the Bill comes before the House I will consider what its object is.

IMPORTATION OF POTASH.

Mr. LISTER.—As reports are being freely circulated in the country that it is contemplated to place restrictions on the importation of potash into Australia, will the Minister for Trade and Customs say if any such restrictions have been imposed, and, if so, for what reason?

Mr. GREENE.—There are no restrictions in regard to the importation of potash so long as it comes from the deposits in Alsace. There are restrictions on its importation if it comes from Germany, but outside of that there are none. I understand that ample supplies can be obtained from the deposits in Alsace.

CYCLONE WARNINGS.

WILLIS GROUP.

Mr. BAMFORD.—On Wednesday I asked the Postmaster-General a question regarding the establishment of a radio station on one of the islands of the Willis group, off the coast of Queensland. He promised to make inquiries and let me know the result as early as possible. Has he any information yet to give? I would press him to treat the matter as urgent, because it is very serious, and if anything is to be done, it should be done at once.

Mr. WISE.—I have not received the information yet.

ASSAULT ON CADET.

Mr. CONSIDINE.—Can the Assistant Minister for Defence inform me if any action of a disciplinary nature has been taken in the case, to which I drew his attention, of an assault by a military officer on a cadet at Broken Hill?

Sir GRANVILLE RYRIE.—Yes, action was taken by the Defence Department. The officer who assaulted a cadet was relieved of his position, and has since been refused employment in the Defence Department.

MORATORIUM.

Mr. PARKER MOLONEY.—The Prime Minister made me a promise some time ago to bring the question of the extension of the moratorium before the State Premiers. I understand that the Premiers will be meeting here this week-end next. Will the Prime Minister bring the matter before them, in view of the fact that there are a number of distressed people vitally concerned? I have letters from farmers in New South Wales who, if they could get an extension for a little while, say, until the wheat payment was made, might be able to carry on. Cannot something be done to bring this matter forcefully before the Premiers, in order to save many of these people from disaster? In the particular case of which I hold the particulars in my hand, the mortgagor has only until the first of next month to pay up or be turned out on the road.

Mr. SPEAKER.—Order! The honorable member is entitled to ask a question, but not to make a speech.

Mr. HUGHES.—I will bring the matter up.

TRADE WITH GERMANY.

Mr. RILEY.—Is the Prime Minister prepared to make a statement, on behalf of the Government, that we will be able to resume trade with Germany and our other late enemies? All the other countries are doing it.

Mr. HUGHES.—I do not know what other countries are doing, and I do not care. This House can have an opportunity of expressing an opinion on the matter whenever it likes. I am not in favour of opening our arms to our dear brothers, the Germans. They can have a fair deal. The Germans in this country will have a fair deal; but I am not in favour of resuming trade relations with Germany.

Mr. RILEY.—Are you against it for all time?

Mr. HUGHES.—No; certainly not. Let the question come before me again, say, in another year.

CONDUCT OF BUSINESS.

Mr. SPEAKER.—Order! Business of the day. Questions upon notice.

Mr. BRENNAN.—I rise to a point of order. I do not quite understand my position. I rose several times for the purpose of asking a question to which I desired an answer, but I did not get the call. I make no complaint about that; but, greatly to my surprise, when I rose the last time, I understood you to call on the business of the day. I should like you to explain why that was done.

Mr. SPEAKER.—I had already called on the business of the day when the honorable member rose to ask his question. I direct his attention to the well-established rule of Parliament that only questions of an urgent nature, which cannot conveniently go on the business-paper, should be asked without notice. It cannot be said that any of the questions which have been put this morning are of that character; yet it is now twelve minutes past twelve, and the business on the notice-paper has not yet been reached. In the circumstances, seeing that the House was getting into a very disorderly condition, and that irregular debates were developing under the guise of questions, I told the Clerk to call on the business of the day.

Mr. BRENNAN.—I rise to order. I submit that I have a perfect right to state another point of order.

Mr. SPEAKER.—Order! I have already given my decision, and the honorable member cannot debate it.

Mr. BRENNAN.—I rise to a new point of order.

Mr. SPEAKER.—Order! I ask the honorable member to discontinue argument with the Chair.

NAVAL PRIZE MONEY.

Mr. MARKS asked the Minister for the Navy, *upon notice*—

1. Whether it is a fact that there are grumbings in all ranks of the Royal Australian Navy at the long-withheld distribution of the naval prize money?

2. When may such distribution be expected?

Mr. LAIRD SMITH.—The answers to the honorable member's questions are as follow:—

1. Very few inquiries have been received from H.M.A. ships regarding payment of prize money. On 7th August last all ships were informed that prize money could not be paid until authority had been received from the Admiralty.

2. Authority to pay prize money in cases where war service was wholly in the Royal Australian Navy has now been received, and instructions regarding distribution have already been issued to H.M.A. ships. In cases where war service was in both the Royal Navy and Royal Australian Navy, authority to pay has not yet been received from the Admiralty.

WAR TROPHIES.

Mr. MARKS asked the Minister for Home and Territories, *upon notice*—

As the Finance Committee of the Sydney Municipal Council has refused to call a meeting of the mayors of municipalities and shires to consider the distribution to them of the war trophies, and having in mind the urgent representations of the mayors concerned, will the Government take the necessary steps to have this urgent matter finalized?

Mr. POYNTON.—I have arranged for this matter to be specially submitted to the New South Wales Trophy Committee, of which a meeting will be held, within a fortnight.

RIFLE MATCHES.

Mr. RICHARD FOSTER asked the Minister representing the Minister for Defence, *upon notice*—

Whether, in view of the reduced allowance on the Estimates for rifle clubs, and the expected visit to the Commonwealth of an English rifle team, the Minister will grant an increased supply of ammunition to enable Australia to give a good account of herself in the forthcoming contests?

Sir GRANVILLE RYRIE.—Consideration will be given to the matter; but it may be stated a quantity of ammunition has already been provided free of charge to rifle associations in connexion with the State matches at which the British team is to compete.

DOUBLE INCOME TAX.

Mr. MARR (for Sir ROBERT BEST) asked the Treasurer, *upon notice*—

1. Mr. Chamberlain, the Chancellor of the Exchequer, having announced in his Budget speech this year that, in order to afford relief to double income taxpayers, a refund of half the tax paid in the British self-governing communities to an amount not exceeding 4s. 3d. in the £1 would be refunded by the British Government, and he having further stated that all the Dominion Governments had agreed to make a similar concession—will the Treasurer state what measures he proposes to take to give effect to this promise?

2. Is it a fact that there is considerable money awaiting investment from the old world contingent on this relief being granted, and people who already have large investments in Australia are awaiting this relief in order to determine whether it is worth their while to continue such investments?

Sir JOSEPH COOK.—The answers to the honorable member's questions are as follow:—

1. This question is under consideration, and I hope it may be dealt with at an early date.

2. The Government is in possession of no information of this nature.

SHIPPING SPACE FOR OATS.

Mr. LISTER asked the Prime Minister, *upon notice*—

Whether he can make any statement as to the possibility of securing shipping space for oats, seeing that many farmers are desirous of exporting same, in order to as far as possible avoid the slump in prices which it is alleged is almost certain to come about in view of the extraordinarily good harvest anticipated?

Mr. HUGHES.—Inquiries are being made as to the prospects of space being made available for oats, and I shall inform the honorable member of the result as soon as possible.

COMMONWEALTH WOOLLEN CLOTH FACTORY.

EXTENSION TO BUILDINGS AND EQUIPMENT AT GEELONG.

Debate resumed from 27th October (*vide* page 5993), on motion by Mr. GROOM—

That, in accordance with the provisions of the Commonwealth Public Works Committee Act 1913-1914, the following works be referred to the Parliamentary Standing Committee on Public Works for their report thereon, *viz.*:—Extension to buildings and equipment of the Commonwealth Woollen Cloth Factory at Geelong, Victoria.

On which Mr. CHARLTON had moved, by way of amendment—

That the following words be added:—"or erection of buildings at Canberra, New South Wales."

Mr. MAHONY.—I desire to take your ruling, Mr. Speaker, as to whether this matter is properly before the House. It came before us first by way of notice of motion, and was being discussed as a motion, when the debate was interrupted under standing order 119. It is more correct to say that an honorable member

moved the adjournment of the debate on the motion—a debate on a motion, not on an Order of the Day. This motion, however, now appears on the notice-paper as an Order of the Day. What is an Order of the Day? Standing order 147 says—

An Order of the Day is a Bill or other matter which the House has ordered to be taken into consideration on a particular day.

A matter can only be made an Order of the Day by permission of the House; that is laid down definitely. The Government or a Minister cannot, of his own volition, place a matter on the notice-paper as an Order of the Day without first asking the leave of the House. If the House grant leave, the business can be placed on the notice-paper as an Order of the Day in whatever position the Government may think fit. But in this case the adjournment of the debate was moved by an honorable member; no permission has been given by the House for it to be made an Order of the Day. I therefore, ask your ruling, sir, as to whether it can appear on the notice-paper as an Order of the Day.

Mr. SPEAKER (Hon. Sir Elliot Johnson).—I think the honorable member is mistaken when he says that this motion was interrupted under standing order 119.

Mr. MAHONY.—I corrected myself as to that, and said that the adjournment of the debate was moved.

Mr. SPEAKER.—In that case the motion became an Order of the Day.

Mr. TUDOR.—Does a matter become automatically an Order of the Day? Has it not to be specifically made an Order of the Day?

Mr. GROOM.—I moved that the adjourned debate be made an Order of the Day for a later hour of the day.

Mr. SPEAKER.—The motion, as the Minister says, was that the business be made an Order of the Day for a later hour of the day.

Mr. MAHONY.—Very well, we shall "catch" the Government on the next motion.

Mr. ROBERT COOK (Indi) [12.21].—I listened with deep interest to the debate on this motion for the extension of the Geelong Woollen Mills. The amount required for the work is small; and, in view

of the fact that we already have at Geelong the necessary land, buildings, and plant, the proposal of the Government is judicious, more particularly when we take into consideration the great shortage in supplies, and that those supplies can be increased very considerably by means of this project. Under the circumstances the motion shall have my support.

It is generally supposed that there are three parties in this House, but if the discussion on this motion be any indication, it would appear that there are at least seventy-five parties, each member, apparently, being desirous to have woollen mills erected in his constituency at the cost of the Commonwealth.

Mr. JAMES PAGE.—Here is one that does not desire such a thing.

Dr. EARLE PAGE.—And here is another.

Mr. ROBERT COOK.—Then I must make an exception of those two honorable members. What would it cost the country if the various members who have spoken on this motion had their requests granted? I venture to say that to equip a mill, equal in every particular to the existing Commonwealth Woollen Mill, would cost, at the present time, at least £500,000.

Mr. RILEY.—Who told you that? You are not dealing with butter now; this is a matter of which you know nothing.

Mr. ROBERT COOK.—Possibly the facts I am relating are strange to the honorable member, but, however that may be, I intend to deal only with facts. There seems to be a desire on the part of some honorable members for sole Government control of the woollen business; but no such proposal shall have my support. It is recognised that there are great openings for this industry in Australia, but what is required for its development is the encouragement of co-operative effort and private enterprise. No doubt Government assistance, both State and Federal, is necessary. By that I mean that it is probable the Commonwealth may have to finance the States, but it is for each State to finance such industries within its boundaries. In different parts of the Commonwealth there are several propo-

sals for the establishment of woollen mills; quite a number of companies are on the verge of flotation, and in my constituency at least two are ready for registration. Those concerned in these enterprises do not desire any "spoon-feeding," nor, indeed, any assistance without offering tangible security. The feeling in my district, and I trust in other districts also, is that those immediately concerned should find as much of the necessary capital as possible, say 50 per cent., the balance to be advanced by the Government on first class security. There is no idea of raiding the Treasury in any shape or form; they ask for no advances which they do not intend to repay. All they desire is, as I say, some assistance on good security.

In my opinion it will be many years before the necessary labour for a woollen mill could be obtained in the Federal area. If the Government have money to spend in this direction, their wisest course would be to wait until the housing and general conditions in that part of Australia are more congenial; at present, I regard the amendment as outside practical consideration.

As to the woollen industry generally, I have collected some information from the Bureau of Commerce and Industry, of which Mr. Stirling Taylor is the Director. We are told that the establishment of this industry must have many advantages for young Australia. This country, we are told, should not only grow wool, but should manufacture it, at least, to such an extent that the Australian people may be clothed with Australian-made woollen goods, the making of which would find employment and wages for Australian workmen, and for other population which is so much desired, and is offered. It is generally agreed that we require population; and, taking into consideration that we are such an extensive wool-producing country, the wool industry offers great opportunities, indeed, for a most desirable class of immigrant. Quite a number of people are of opinion that the Bureau is desirous that there shall be a huge socialistic Government venture. That is not so; and, I, for one, am very much opposed to any such idea. In reference to the proposal that the

industry should be under Government control, the view is expressed by the Bureau that it is essential that the development of the manufacture of woollen goods should be left entirely in the hands of private enterprise, backed up, of course, by any reasonable financial assistance the Government are prepared to give. In my opinion, this is the safest and most economical way of carrying on the industry. At the present time, it is pointed out, the output of woollen and worsted goods from Australia is only 15 per cent. of the requirements of the Commonwealth, which is a shocking state of affairs, taking into consideration the fact that Australia produces something like one-fifth of the world's supply of wool. It is estimated by the Bureau that £14,000,000 would be required during the next ten or fifteen years to establish complete up-to-date woollen mills in each State. Seeing that the British-Australian Tobacco Company Proprietary Limited has a capital of £5,500,000, Howard Smith Proprietary Limited a capital of £5,000,000, and the Colonial Sugar Refining Company a capital of £4,000,000, the three companies having a total capital of £14,500,000, there ought not to be any difficulty in raising sufficient money to establish the manufacture of woollen goods in each State, particularly when we realize that even to meet the present requirements of the population would necessitate the treatment of at least 2,000,000 lbs. of greasy wool per annum. The suggestion of the Bureau of Commerce and Industry is that a company should be formed in each State on the basis of the wool produced within the State, and it is estimated that the capital required to finance the scheme would be approximately £5,000,000 for New South Wales, £3,000,000 for Victoria, £2,000,000 for Queensland, £1,000,000 for South Australia, £1,000,000 for Western Australia, and £250,000 for Tasmania. The best indication that the development of the industry would prove profitable is the fact that our existing mills do not produce more than 15 per cent. of our requirements; but there is no doubt an enormous increase in population would follow, and that a great impetus would be given to the development of kindred industries, such as fertilizers,

Mr. Robert Cook.

tallow, candles, soap, glue, tanning, leather, boots, bags, harness, building motors, and electrical. There would also be an increased demand for food products. All this expansion which would follow would certainly justify the amount of expenditure involved.

I would be very sorry to see the woollen industry nationalized, and the scheme suggested by the Bureau of Science and Industry is not on those lines. An attempt to nationalize it would not only deliver a serious blow at private enterprise, but also retard the development of the Commonwealth considerably. I trust that honorable members who are anxious to promote the establishment of the manufacture of woollen goods will consult Mr. Stirling Taylor, the Director of the Bureau of Commerce and Industry, because he has the latest data on the subject collected from all parts. His information is thoroughly reliable, and beyond contradiction, and if honorable members would avail themselves of his advice, they would find it most valuable. In conclusion, I trust that the woollen industry will be developed, not only in the interests of the wool-grower or the consumer, but also in the interests of the general welfare of Australia.

Mr. BRUCE (Flinders) [12.35].—As, apparently, one will be obliged to record a vote upon this proposal, and also upon the locality where the expenditure is to take place, I want to say a few words with regard to the whole question. I am in favour of the money being spent at Geelong in extending the woollen mills already there; but, during this debate, I have suffered more shocks than I have ever experienced in the House previously. For instance, many honorable members who have strenuously advocated that this money, and possibly more, should be spent in their own electorate on this State enterprise are gentlemen who, when candidates, spoke upon every platform against any form of State enterprise or State industry. Generally speaking, I am opposed to State control of ventures of this nature; but I hold a rather different view in regard to the Commonwealth Woollen Mills, because they have been in opera-

tion, and in the past have served a very useful purpose, and I, therefore, am prepared to vote in favour of spending this money at Geelong in extending existing mills. I am perfectly certain that if the money were to be spent in establishing another mill in another part of the Commonwealth, it would only be a prelude to the expenditure of hundreds of thousands of pounds more, because woollen mills cannot be erected and run nowadays at anything like the figure set down as the estimated cost of this extension of existing mills, and it would mean the creation of a new administrative and governing body for the conduct of the work. As that would be a very serious proposition to consider, I am perfectly clear upon the point that if money is to be spent in this direction, the only purpose for which it should be spent is in extending existing mills.

While I am prepared to accept a proposal to extend an existing State enterprise, I think some more efficient system of control should be applied to it. At present, the Geelong Woollen Mills are controlled by a Commonwealth Department, through a manager. Is there one honorable member who would be prepared to hand over his own money to the manager of a concern over whom he would have no efficient control, or against whom he would have no protection so far as his interests or rights were concerned?

Mr. GREGORY.—A regulation has just been gazetted for the appointment of a Board to look after the enterprises which are conducted by the Defence Department.

Mr. BRUCE.—I have not seen that regulation; but if that is the case, it is certainly a great advance. I welcome it most heartily, because it is essential that there should be a Board of this nature, such as exists in every other industry, to control general policy, and really act as controller over the manager. Necessarily, the manager is obliged to devote a great deal of his time to details, and to the technical running of the enterprise, and he certainly ought to have some one to assist him, preferably a Board such as I am informed it is now proposed to create. The enterprise would then be more carefully and seriously criticised; in fact, would be given that consideration

which a private individual exercises in respect to the investment of his own money. In any case the proposed Board ought to give careful attention to the production of a commercial balance-sheet in respect to its venture, just as any individual business man is obliged to do.

Mr. GREGORY.—I have been asking for that for the last three years.

Mr. BRUCE.—I have heard that statement previously from the honorable member, and it seems to me it is a matter that should be pressed for. It is not a question of whether State enterprise is right or wrong, but is a question of applying ordinary business-like methods to Government undertakings. Even those who are enthusiastically in favour of the State embarking upon such ventures should be most insistent in pressing for these balance-sheets, because if we have not each year that supervision which is suggested by the requirement to produce annual balance-sheets and trading accounts, indicating the position of an industry, it will only be a matter of time for inefficiency to creep in and for charges and costs to rise above those of outside enterprises; and then the whole idea of State enterprise would be damned. I am prepared to vote for this further money being spent in extending existing woollen mills, but not in the creation of a new plant in some other part of the Commonwealth. In casting my vote in this way I am not to be taken as being enthusiastically in favour of the State control of enterprise. Such is not the case.

Mr. JACKSON (Bass) [12.43].—The most entertaining couple of hours the House has had this session was experienced the other afternoon when the Minister (Mr. Groom) submitted this motion. Practically every honorable member who spoke asked that money should be spent upon mills in his own electorate. As this is not a proposition to erect new mills, but is simply a project to spend £60,000 in the extension of an existing plant, I shall support the proposal of the Minister, and, of course, vote against the amendment.

Mr. RILEY.—Why confine the Public Works Committee to one particular locality?

Mr. JACKSON.—Because it is deemed absolutely necessary to extend the present

mills. A proposition to erect new mills would be an entirely different proposition. If such a project were put forward, I would immediately advance the claims of Launceston, which, when Geelong was selected as the site of the Commonwealth Woollen Mills, was the Committee's second choice.

Mr. ATKINSON.—In reality Launceston was its first choice.

Mr. JACKSON.—Well, I am prepared to accept the verdict of the Committee which chose Geelong after inspecting no fewer than thirty-three possible sites throughout Australia.

Mr. TUDOR.—Why does the honorable member say Launceston was the second site favoured? Did Mr. Smail say so?

Mr. JACKSON.—Yes. For the benefit of honorable members who take a delight in despising the little island, I would remind them that we have ample industrial power available, and are not dependent upon coal supplies. We have the water power, and it has already been availed of as a great asset; but it will become far more so in the future. Industries are being conducted upon a very big scale. There is, for example, the Electrolytic Zinc Company, in Hobart, which employs 1,000 hands. That is an entirely new industry. Cadbury's and other world-famed firms have inaugurated extensive factories also. With respect to the suitability of Launceston as a site for Commonwealth woollen mills, this fact should be sufficient, namely, that Messrs. Kelsall and Kemp, of Yorkshire, who are among the largest manufacturers in the world, are now erecting woollen mills at Launceston, involving an expenditure of £200,000 upon plant, machinery, and buildings.

Mr. RILEY.—But you have no coal there.

Mr. JACKSON.—We do not need coal. Our industries are freed from coal troubles. Despite all the strikes and the shipping hold-ups of the past few years, never once has the electric energy been turned off in Tasmania. I am pleased to hear so many honorable members advocating the claims of Australian industries, and I trust that the motion will be agreed to.

Mr. CHARLTON.—I desire to amend my amendment by leaving out all the words after "or," with a view to inserting, in lieu thereof, the words—

Alternatively, the erection of suitable woollen mills at Canberra, New South Wales.

Amendment amended accordingly.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [12.52].—I wish to inform the honorable member for Flinders (Mr. Bruce), who desired certain information, that duly accredited balance-sheets of these factories are presented to Parliament, and are open to examination; and that, in addition, a Board of Control has been established.

As regards the motion itself, it should be clearly understood that it is for additions and extensions to the existing mills at Geelong. The Government have no intention of entering upon a general policy of establishing mills all over the Commonwealth to engage in private enterprise. There is nothing in the motion to suggest that. Much of the debate, while it has been informative, has been scarcely relevant. The need for the motion was due to the fact that the Government undertook to supply returned soldiers with a quantity of material. Being well stocked with equipment after the war, the factory at Geelong has not been solely employed upon the needs of the Navy, the Defence, and the Postal Departments.

As much of its capacity as possible has been devoted to supplying requirements of returned men. Something like 480,000 yards of material is still to be supplied to the soldiers, and there are growing needs in respect of our own services. To deal with that problem, and to do justice at the same time to returned soldiers, it is essential that the works be extended. This extension will be very much more economical than if we were to attempt to start fresh works at other places.

Mr. RILEY.—How long will the Government continue to supply solely to returned soldiers?

Mr. GROOM.—That is a matter of policy for the future. I am dealing with present needs. The question of where the factory ought to be established was settled when Mr. Smail was appointed to travel

all over the Commonwealth in the search for sites. He made a fair and impartial report, covering thirty-three sites; and, of these, he chose Geelong. His selection does not mean that Geelong is the only place in Australia where first-class materials can be manufactured; but, in the best interests of the Commonwealth, he decided upon Geelong. The additions are absolutely essential; and it is, of course, cheaper to build additions than to construct a new factory somewhere else, however suitable may be the site. At Geelong the land has been acquired, the power is available, and the administrative organization is complete. The additions merely involve an extension of a going concern. If we were to begin again somewhere else, serious delay would be incurred; and, besides, there would be the factor of all the initial costs having to be met afresh. With regard to erecting a factory at Canberra, Mr. Small's report is phrased favorably. He says—

My first visit was to Yass-Canberra, the site of the Federal city, embracing from Queanbeyan to the junction of the Cotter River with the Murrumbidgee, Duntroon, and Acton. Although the climatic conditions are not up to my idea of the requirements it would be quite wrong to say that a woollen factory could not be established there, because, with the development of the city, it is certain to have factories of all descriptions, and, no doubt, conditions will then prevail whereby cloth manufacture could be fairly successfully accomplished.

We are faced, not with a future programme, but with a present need. I do not wish to anticipate the judgment of the Public Works Committee, but the House should authorize the inquiry, and I am not prepared to accept the amendment.

Question—That the words proposed to be added be so added (Mr. CHARLTON'S amendment)—put. The House divided.

Ayes	12
Noes	37
Majority	25

AYES.

Brennan, F.	Page, James
Charlton, M.	Ryan, T. J.
Mahony, W. G.	Watkins, D.
Marr, C. W. C.	
Mathews, J.	<i>Tellers:</i>
McDonald, C.	Blakeley, A.
Moloney, Parker	Riley, E.

NOES.

Atkinson, L.	Hughes, W. M.
Bamford, F. W.	Jackson, D. S.
Bell, G. J.	Jowett, E.
Blundell, R. P.	Lamond, Hector
Bruce, S. M.	Lister, J. H.
Cameron, D. C.	Mackay, G. H.
Chanter, J. M.	Marks, W. M.
Cook, Sir Joseph	Maxwell, G. A.
Cook, Robert	McGrath, D. C.
Corser, E. B. C.	McWilliams, W. J.
Fleming, W. M.	Poynton, A.
Foster, Richard	Rodgers, A. S.
Francis, F. H.	Ryrie, Sir Granville
Gabb, J. M.	Smith, Laird
Greene, W. M.	Tudor, F. G.
Gregory, H.	Wienholt, A.
Groom, L. E.	<i>Tellers:</i>
Higgs, W. G.	Burchell, R. J.
Hill, W. C.	Story, W. H.

PAIRS.

Anstey, F.	Watt, W. A.
Catts, J. H.	Bayley, J. G.
Cunningham, L. L.	Livingston, J.
Fenton, J. E.	Fowler, J. M.
Lavelle, T. J.	Chapman, Austin
Lazzarini, H. P.	Gibson, W. G.
Makin, N. J. O.	Hay, A.
Maloney, Dr.	Best, Sir Robert
Nicholls, S. R.	Bowden, E. K.
West, J. E.	Prowse, J. H.

Question so resolved in the negative.

Amendment negatived.

Original question resolved in the affirmative.

Sitting suspended from 1.4 to 2.15 p.m.

NOTE PRINTING OFFICE,
FITZROY.

Debate resumed from 28th October (*vide* page 6043), on motion by Mr. GROOM—

That, in accordance with the provisions of the Commonwealth Public Works Committee Act 1913-1914, it is expedient to carry out the following proposed work:—Erection of Note Printing Office, Victoria-parade, Fitzroy, which said work was referred to the Public Works Committee, and the Committee has duly reported to this House the result of its inquiries thereon.

Mr. GROOM (Darling Downs—Minister for Works and Railways [2.15].—In reply to the remarks made by the honorable member for Dalley (Mr. Mahony), I wish to state that I have already shown the necessity—

Mr. MAHONY.—I rise to a point of order. This matter, I submit, is not properly before the House. Yesterday it

appeared as a notice of motion, the debate upon which was interrupted by standing order No. 119, which provides—

If all motions shall not have been disposed of two hours after the time fixed for the meeting of the House, the debate thereon shall be interrupted, and, unless the House otherwise order, the Orders of the Day shall be taken in rotation.

This question was the subject of a motion under discussion, and, after the lapse of two hours, the debate was interrupted. We now find it on the business-paper as an Order of the Day.

Sir JOSEPH COOK.—It is no longer a notice of motion.

Mr. MAHONY.—I take the point that it cannot be an Order of the Day except by leave or direction of the House, as provided for in standing order 147—

An Order of the Day is a Bill or other matter which the House has ordered to be taken into consideration on a particular day.

We find, on reference to the *Votes and Proceedings* of yesterday, that no action was taken to place this motion on the business-paper for to-day as an Order of the Day, and I contend that it cannot be taken as an Order of the Day until the House has given a direction to that end.

Mr. SPEAKER (Hon. Sir Elliot Johnson).—This was a notice of motion on the business-paper for yesterday, and it was partly discussed. It is quite true that the time limit had been reached without any instruction having been given by the House as to the disposal of the motion; but this position has occurred before, and it has been decided by a predecessor in office that motions under discussion at the time fixed for the interruption of debate by the Standing Orders referred to, become Orders of the Day for the next day of sitting. The last occasion upon which this action was taken was in connexion with a motion submitted by the honorable member for Franklin (Mr. McWilliams) for the appointment of the Sea Carriage Select Committee. In that case the motion was under discussion when the time came for the interruption of the debate by standing order No. 119. I observe, by reference to the *Votes and Proceedings*, of 25th March, 1920, that—

The time allotted for general business having expired, Government business was called on.

No action was taken by the House on that day; but on the following day the motion appeared on the business-paper as an Order of the Day.

Mr. RILEY.—Was a point of order taken on that occasion?

Mr. SPEAKER.—No; the point of order had been taken, I think, on a previous occasion, and in the case of the motion for the appointment of the Sea Carriage Select Committee, the established practice was being followed, in pursuance of a ruling given by my predecessor. I am merely relating the procedure on an occasion subsequent to the ruling referred to—the last time, I believe, that a similar position arose. The practice was thus established to give honorable members a chance to have their motions dealt with, rather than have them arbitrarily expunged from the paper. The first Order of the Day on 26th March, the day following the sitting of the House when the debate was interrupted, was—

Sea Carriage Select Committee. Resumption of debate upon the following motion of Mr. McWilliams:—"That a Select Committee, consisting of seven members of this House, be appointed to inquire into and report upon the conditions of the Australian overseas and Inter-State sea carriage."

The practice followed on that occasion is identical with the action now being taken.

Mr. MAHONY.—I gave notice of dissent from your ruling, Mr. Speaker.

Mr. CHARLTON.—I was desirous of speaking to the motion, and of moving an amendment to refer it back to the Committee.

Mr. SPEAKER.—The honorable member is too late. When the Order of the Day was called on, I looked around the chamber, and, as no honorable member was, apparently, prepared to continue the debate, the Minister rose to reply.

Mr. CHARLTON.—All I wish to say is that the circumstances to-day are altogether different. We have decided to hand over the note issue to the Commonwealth Bank, so the argument that the Note Printing Department should be near the Treasury does not now hold good.

Mr. GROOM.—It does not make a bit of difference.

Mr. CHARLTON.—I think it makes a great deal of difference.

Mr. GROOM.—If the honorable member desires to establish the Note Printing Department at Canberra—

Mr. CHARLTON.—I am not suggesting that at all. I am merely suggesting that, in view of the altered circumstances following the decision of the Government to hand over the note issue to the Commonwealth Bank authorities, there is not the same reason now for the Note Printing Department to be near to the Treasury.

Mr. GROOM.—The notes have to be printed. We cannot continue any longer in the present premises without grave risks. This is an urgent proposition. We have been in the present premises too long already, and it is impracticable to establish this Note Printing Department at Canberra at the present time. The Committee has reported as to the impossibility of finding temporary premises in Sydney, and it is utterly hopeless to attempt to get temporary buildings in Melbourne. It is a good business proposition, even if we erect a building and have to remove the note printing three or four years hence to Canberra.

Question resolved in the affirmative.

NATIONALITY BILL.

In Committee (Consideration resumed from 28th October, *vide* page 5965):

Clauses 3 and 4 agreed to.

Clause 5 (Definitions)—

(1.) In this Act, unless the contrary intention appears—

“Disability” means the status of being a married woman, or a minor, lunatic or idiot;

(2.) Where in pursuance of this Act the name of a child is included in a certificate of naturalization granted to his parent, or where, in pursuance of any Act repealed by this Act, any child has been deemed to be a naturalized British subject, by reason of residence with his parent, such child shall, for the purposes of this Act, be deemed to be a person to whom a certificate of naturalization has been granted.

Mr. TUDOR (Yarra) [2.26].—I desire to draw the attention of the Minister to the fact that in the definition of “disability” the status of a married woman appears to be the same as that of a minor, a lunatic, or an idiot. Many honorable members have taken exception to this already. Naturally, married women object

to it. Is it not possible to allow a married woman to retain her nationality, instead of taking that of her husband?

Mr. POYNTON (Grey—Minister for Home and Territories) [2.27].—It is desirable to have uniformity, as far as possible, with the British Act, and I suggest that the clause be passed, and that we make representations to the Imperial authorities concerning certain amendments which may be thought necessary, and give effect to them later.

Mr. GABB (Angas) [2.28].—I direct attention to sub-clause 2. A child is deemed to be naturalized by virtue of his father's naturalization. I presume this refers to Australian naturalization; but will a child also have the right to British naturalization, or will a separate claim be necessary?

Mr. POYNTON.—I think it would, but I am not quite sure. Before the measure is finally disposed of, I will make further inquiries, and, if necessary, recommit the clause to give effect to the honorable member's suggestion.

Mr. TUDOR.—Will not that interfere with the uniformity which the Minister is anxious to preserve?

Mr. BRENNAN (Batman) [2.31].—With reference to what the Leader of the Opposition (Mr. Tudor) has said concerning the status of married women, I indicated in some remarks I made on the second reading that I would move an amendment to test the feeling of the Committee in that regard. I do not know whether the definition to which the Leader of the Opposition has referred is necessarily or entirely objectionable from my point of view, and for that reason I do not intend to raise the point here.

Mr. TUDOR.—If the honorable member allows it to pass, it will prejudice his position at a later stage.

Mr. BRENNAN.—It might have that effect. It may be that if the amendment I propose moving for a new clause were adopted this part of the definition would have no meaning at all, so far as it relates to married women, but I could not be prevented from moving in that direction. So far as I could understand from the Minister, I believe he wishes this measure to be uniform with the British Act.

Mr. POYNTON.—That is so.

Mr. BRENNAN.—From 1903 onwards, precisely the same objection has been raised every time we have moved in this direction. I addressed myself to this matter in 1917, and also prior to that.

Mr. POYNTON.—This is the first time the Commonwealth Parliament has had before it a Nationalization Bill so comprehensive in its scope and in conformity with an Imperial Act. It gives Empire naturalization.

Mr. BRENNAN.—That is so, and to that extent it is an improvement on what we have had before. But I point out to the Minister that naturalization is a matter upon which we have necessarily more or less been bound up with Empire laws and reciprocal laws of other nations, and it is in that aspect rather than from the point of view that this is an Empire measure that we have been asked not to interfere with the status of women. I propose later on to move for the insertion of a new clause, and to register my view in this matter, which will provide that no woman born in Australia shall become an alien or forfeit her nationality by reason of her marriage with whomsoever it may take place. It may be that if we carry it—which, of course, we shall not—this part of the definition which refers to married women will be meaningless.

Mr. POYNTON.—If an amendment of that character were carried, we would have to re-draft the whole Bill, and make the necessary amendments to give effect to it.

Mr. TUDOR.—It would be much better to strike out the words "the status of married women or".

Mr. POYNTON.—I cannot agree to that.

Mr. BRENNAN.—Then I shall be satisfied at a later stage to move in the direction I have indicated.

Mr. RYAN (West Sydney) [2.35].—I should like to have an explanation from the Minister for Home and Territories (Mr. Poynton) as to which particular portion of this measure gives Empire naturalization.

Mr. POYNTON.—The whole of it.

Mr. RYAN.—But it must be in some particular clause or some particular part of the Bill. What was the effect of naturalization in Australia prior to the introduction of this measure? How were

our naturalization certificates regarded in Great Britain? Did they facilitate the naturalization of any person who went from Australia to the United Kingdom?

Mr. POYNTON.—I presume they would have some effect; but, legally, they were valueless.

Mr. RYAN.—We have been told, in a vague kind of way, which did not carry much conviction, that some great advantages were being conferred by this measure because it gave Empire naturalization. Is that so?

Mr. POYNTON.—Yes.

Mr. RYAN.—Then, before we can say with certainty, we should be in a position to know what was the position of a person who went to the United Kingdom, and who was naturalized in Australia under the existing law. Had he any status in Great Britain? Do the authorities in the United Kingdom recognise our naturalization certificates at present?

Mr. POYNTON.—No, and not even in New Zealand.

Mr. RYAN.—Then they carried no weight at all.

Mr. POYNTON.—No legal weight, but a moral weight in assisting men to become naturalized in Great Britain.

Mr. RYAN.—Can the Minister tell us exactly what weight they did carry?

Mr. POYNTON.—I believe the question of Australian naturalization was discussed in the Courts last year, and I understand it was held that our certificates had no effect at all.

Mr. RYAN.—Did they not have any effect in assisting naturalization in Great Britain?

Mr. POYNTON.—I presume an Australian certificate would assist a man to some extent.

Mr. RYAN.—If this measure becomes law, it will not be possible for a person to get naturalization in Australia on conditions that now exist as distinct from naturalization in other parts of the Empire.

Mr. POYNTON.—That is correct.

Mr. RYAN.—Then it takes away that advantage?

Mr. POYNTON.—Yes.

Clause agreed to.

Clause 6 agreed to.

Clause 7—

(1) The Governor-General may grant a certificate of naturalization to an alien who makes an application for the purpose, and satisfies the Governor-General—

(a) that he has either resided in His Majesty's dominions for a period of not less than five years in the manner required by this section, or been in the service of the Crown for not less than five years within the last eight years before the application; and

(5) In the case of a woman who was a British subject previously to her marriage to an alien, and whose husband has died or whose marriage has been dissolved, the requirements of this section as to residence shall not apply, and

Mr. BRENNAN (Batman) [2.40].—Without labouring the arguments I have already addressed to the House, I move—

That the word "five", line 7, be left out with a view to insert in lieu thereof the word "two".

That will bring the period of probation back to what it was under the existing law. We are providing in this Bill for very drastic and absolute powers of revocation in granting letters of naturalization. If we take that unlimited power of revocation, and read it with the fact that a person is to be domiciled in this country for not less than five years before he obtains his letters of naturalization, it seems that we shall be creating conditions so uncertain and precarious that no self-respecting man will settle here. I would not go to a country and attempt to make myself a useful citizen if I were told that I had for five years to remain unprotected by any citizen rights at all, with all the dangers that are involved in alienage in case of war or international disturbances of that character. If it is right, which I do not admit, that this unlimited power of granting or withholding should rest with the Minister representing the Crown, I contend more strongly still that it is not right that a person should have to live in a country unprotected by nationality in that country for not less than five years. If we agree to this we shall be discouraging desirable men from coming to this country, and will be assuring them that they will have no protection as citizens in the country which they adopt. It is a churlish and niggardly way of treating people who may desire to come to the Commonwealth,

and it is not likely to encourage immigration. Well informed thinkers are abundantly satisfied that if we are to populate Australia we must make up our minds that we cannot hope to rely solely upon members of the British race. Our past history shows that the increase from overseas, and our natural increase, is inadequate, and that it is preposterous to throw difficulties in the way of populating a country equal in size to that of Europe. I am not aware, even in the light of prejudices arising from the war, that we have given citizenship to any appreciable extent to undesirable persons. On the contrary, persons we have enlisted, by virtue of our laws of naturalization, in the majority of cases have turned out to be useful and law-abiding citizens. In these circumstances, I think that we are taking a retrograde step by increasing the period that a person must serve by way of probation before he can become naturalized, and I trust my amendment will have the support of the Committee.

Mr. POYNTON (Grey—Minister for Home and Territories) [2.45].—I ask honorable members to allow the clause to remain in its present form. If they refer to the first schedule they will find that similar wording appears in the British Act.

Mr. BRENNAN. — I am well aware of that.

Mr. POYNTON. — The measure has been drawn up in this way so that it will be uniform with the British Act, and I ask the Committee to reject the amendment.

Mr. BAMFORD (Herbert) [2.46].—I can quite sympathize with the solicitude of the honorable member for Batman (Mr. Brennan) in his endeavour to liberalize the measure. But to my knowledge, a great many Germans have not valued the privilege of naturalization. I have known such persons to enjoy for years the benefits conferred by our laws without troubling to apply for naturalization until they required an old-age pension, or a land transfer, or something that they could not get without being naturalized. Our naturalization law has been, in my opinion, too liberal in comparison with those of other countries.

Mr. POYNTON.—No country receives more immigrants than America, and

there an alien cannot be naturalized until he has been a resident for five years.

Mr. BAMFORD.—In the Transvaal the period was, I believe, twenty years, and that did not prevent many Britishers from going there.

Mr. McGRATH.—But it brought about a war.

Mr. BAMFORD.—It was one of the causes, together with the refusal of Kruger to allow the compound system in the Transvaal which existed at Kimberley. There are many Germans still in Australia who have not taken out certificates of naturalization. While I sympathize with the desire for liberality, I do not think it in the best interests of the country to shorten the term of residence.

Mr. GABB (Angas) [2.48].—There are other reasons besides want of interest that have prevented many Germans from becoming naturalized. Cases have been brought under my notice in which Germans have paid to secure naturalization, but have been swindled through their ignorance of our language and our law.

Mr. McGRATH.—I have had any number of such cases brought before me.

Mr. GABB.—Then, many persons believed that the law of South Australia is the same as that of the other States, and that they were naturalized by virtue of the naturalization of their parents. They found out their mistake only on going to vote, when they discovered, to their great surprise, that their names were not on the roll. I shall support the amendment. I recognise the difficulty to which the Minister (Mr. Poynton) alluded. He wishes to make the term of residence under the Bill the same as that provided for under the British law, in order to obtain reciprocity.

Mr. BRENNAN.—After all, what difficulty is created? It seems to me that there is only the desire to copy British precedent.

Mr. GABB.—Reciprocity, I understand, is to be obtained only under certain conditions, and one of them is that our law shall be similar to that of the countries with which we reciprocate. When the Passports Bill was before the Committee recently, I moved an amendment to increase the life of a passport from two to five years, but that was defeated. Now, a foreigner's passport is

valid for two years only, so that if he remains longer than that in this country he cannot return to his own, even though he may not have been naturalized here, and he cannot be naturalized here until he has lived in Australia for five years. I think that the term of residence required for naturalization should be the same as that for which a passport is valid.

I wish to know whether the Government intends to deal in the same way with all aliens, whether they have been at war with us or not.

Mr. WIENHOLT.—You mean, whether their country has been at war with us or not?

Mr. MAXWELL.—The honorable member will see that "alien" is defined as a person who is not a British subject.

Mr. TUDOR.—The same conditions apply to Belgians and Frenchmen as apply to Germans.

Mr. GABB.—A person of German origin who wishes to be naturalized must have twenty years' continuous residence in Australia, and unless there are special circumstances must not be under fifty years of age, it being held that younger men must be regarded as dangerous. Younger men cannot be naturalized unless they or their brothers served on our side during the war, or their parents gave large donations to patriotic funds, or showed their patriotism in some other way. I hope that all aliens will be put on the same footing.

Mr. POYNTON (Grey—Minister for Home and Territories) [2.54].—At the present time there are restrictions on the naturalization of aliens belonging to the nations with which we have recently been at war. When I took office, such persons could not be naturalized without Cabinet approval in each individual case; but I suggested that, subject to good behaviour and character, persons of a certain age, and with a certain length of residence, might be allowed to be naturalized without the reference of their cases to the Cabinet; and that being agreed to, I have authorized quite a large number of naturalizations. There is no doubt that, in the very near future, a further variation will be made in the term so as to permit of the naturalization of aliens within Australia. When once this Bill

has been disposed of, I intend to put it to the Government whether we ought not to treat all aliens upon their merits.

Mr. JAMES PAGE.—The Minister is now referring to aliens within Australia?

Mr. POYNTON.—Yes. Of course, it is rather a remarkable circumstance that although many of these men had resided in Australia for years, and had had every opportunity to become naturalized, they did not attempt to take advantage of their opportunities until after the outbreak of war.

Mr. GABB.—Many of them were not aware that they were not naturalized until they attempted to vote at the Federal elections.

Mr. POYNTON.—The honorable member for Angas has never brought any case of that kind under my notice. But if he will submit to me any case in which an alien of good character has resided within the Commonwealth for years without becoming naturalized, I will look into it; and if I feel that the facts justify me in so doing, I will immediately ask Cabinet to approve of letters of naturalization being granted to him.

Mr. TUDOR (Yarra) [2.57].—This clause provides that the Governor-General may grant a certificate of naturalization to an alien who has either resided in British Dominions for a period of not less than five years, or who has been in the service of the Crown for not less than five years out of the eight years immediately preceding his application.

The CHAIRMAN (Hon. J. M. Chanter).—I would remind the honorable member that we are now dealing with the amendment.

Mr. TUDOR.—Then I shall refer to this matter at a later stage. I shall certainly vote for a two years' residential qualification. Upon the motion for the second reading of the Bill, I pointed out that the pretext under which war was waged against the South African Republics was that the Boer authorities compelled all Britishers to reside in their country for an unduly long period before enfranchising them. British subjects demanded that they should be enfranchised at the end of a two years' residence. In my opinion, citizens of Australia are as much citizens of the British Empire as if they had been born within the sound of

Bow Bells or in any other part of the British Isles. At the same time, I hold that we shall be acting unwisely if we impose upon aliens a residential qualification of five years instead of two years.

Mr. CHARLTON (Hunter) [3.0].—I understand that the objection of the Minister to the amendment is based upon his desire to secure uniform naturalization legislation throughout the Empire.

Mr. POYNTON.—If the amendment be carried, the Bill, so far as Empire naturalization is concerned, will have disappeared.

Mr. CHARLTON.—The honorable gentleman desires uniform Empire naturalization. But the difficulty which he stresses may be overcome by providing for a two years' residential qualification within Australia, and a five years' residential qualification outside of it.

Mr. POYNTON.—That would mean the issue of two classes of certificates.

Mr. CHARLTON.—We can permit aliens within Australia to become naturalized after a two years' residence here, and make the Bill conform to the British legislation upon this matter by providing for a five years' residential qualification outside the Commonwealth. It is quite true that this would necessitate the issue of two classes of certificates. The first class of certificate would enable an alien to become naturalized within Australia after a two years' residence here. Then, when he had completed a residence of five years in the Commonwealth, he would be able to make an application for a certificate of naturalization which would cover the entire British Empire. In that way, we could obviate any conflict between this measure and Imperial legislation. I think, therefore, that the amendment might well be agreed to. There are many things which have to be considered in dealing with a measure of this character, because to a large extent its provisions will govern the future of all aliens in our midst.

Mr. RYAN.—It will affect their right to hold property.

Mr. CHARLTON.—Exactly. The Minister (Mr. Poynton) may reasonably agree to an amendment of the clause in the direction of providing for a two years' residential qualification within the Commonwealth, seeing that he can still retain provision for a five

years' residential qualification within the British Empire. The adoption of such an amendment would improve the Bill, and would, I think, meet the wishes of the Committee generally. The difficulty which the honorable gentleman has urged in regard to the issue of two classes of certificates is not an insuperable one. The Department could have two sets of certificates. A certificate of naturalization in respect of Australia could be issued to a person who had resided here for two years, and at the end of the five years' period that certificate could be withdrawn, if desired, and a certificate of Empire naturalization issued. This, I think, is a very fair proposal, and I hope the Minister will agree to it.

Mr. RYAN (West Sydney) [3.6].—I have pleasure in supporting the amendment moved by the honorable member for Batman (Mr. Brennan) to omit the word "five," with a view to insert in lieu thereof the word "two." I also support the contention that has been advanced by the honorable member for Hunter (Mr. Charlton). This is a matter to which I referred last evening when speaking on the motion for the second reading of the Bill. It is admitted by the Minister (Mr. Poynton) that this measure will take away the right of those who are not British subjects to become naturalized under the existing law on a residence of two years in Australia. Under this Bill a man will not be able to secure naturalization except on a residence of five years.

Mr. POYNTON.—I hardly know of a case in Australia that would be adversely affected by this provision as to five years' residence.

Mr. RYAN.—It will not prejudice those who have been residing here for at least five years; but in regard to those who come here in the future the whole policy of the Government in regard to immigration is affected by this proposal. At the present time a person who is not a British subject, on coming here from abroad, may become naturalized after a residence of two years. The Commonwealth for quite a number of years has thought that to be a sufficient residence. There is nothing in our experience to show that such a policy was wrong. On the contrary, I think most of those who have become naturalized in Australia have proved, as the honorable member

for Batman says, to be very useful citizens. In so far as naturalization in Australia is concerned, why should we depart from a policy which we deliberately adopted at the beginning of Federation, and have found to work out usefully? The only reason advanced for the change is that it is suggested that our naturalization should be Empire wide. That could be secured, as the honorable member for Hunter says, by allowing those who become naturalized in Australia to make application, after five years' residence if they so desire, for Empire-wide naturalization. But why should we, a self-governing Dominion, depart from what we have found to be the right policy for Australia? We are departing from it in regard only to those who have been our Allies in the recent war, because clause 7 provides that the Governor-General may naturalize them if they have been resident in the Dominions for five years. If they have not been he will have no power to naturalize them. In addition to that, he may refuse to naturalize them, and the Minister has admitted that he does not propose to naturalize, even after a residence of five years, persons coming from countries which were recently at war with Great Britain.

Mr. POYNTON.—As a matter of fact, such persons cannot come here.

Mr. RYAN.—Some of them are already here, yet the Minister tells us deliberately that he does not intend to naturalize them after five years' residence.

Mr. POYNTON.—I have not said that.

Mr. RYAN.—The honorable gentleman has admitted that the policy of the Government at the present time is not to admit to naturalization persons from countries which were recently at war with the British Empire, even if they have five years' residence.

Mr. POYNTON.—I have not admitted that. What I have said is that every case will have to go before the Cabinet.

Mr. RYAN.—But surely the Government has some policy in regard to the matter. Has not the Cabinet a policy? If it has, we ought to know what it is.

Mr. POYNTON.—I have said what it is; apparently the honorable member was not listening.

Mr. RYAN.—I listened carefully to the honorable gentleman, and heard him say that, shortly put, each case would be

dealt with on its merits. I should think every case would be so dealt with.

Mr. POYNTON.—I did not even say that.

Mr. RYAN.—But I heard the honorable gentleman make that statement.

Mr. POYNTON.—The honorable member misunderstood me.

Mr. RYAN.—Then will the honorable gentleman be good enough to let me know what residence in Australia will be necessary to the naturalization of persons from a country which has been at war with the Empire.

Mr. POYNTON.—I have already told the honorable member.

Mr. RYAN.—The Minister says that I misunderstood him. Surely he will again give me the information. The honorable member for Angas (Mr. Gabb) has said that twenty years' residence will be required, and that the applicant must be fifty years of age. That is not denied.

What I am arguing is that in the administration of the measure this clause, requiring, as it does, five years' residence, will apply only to those who were our Allies in the recent war, or to citizens of countries that were not at war with us. In respect of all such persons, so far as our own Dominion is concerned, we ought to be able to allow the law to stand as it is, and to permit them to become naturalized after two years' residence here. I am not going to consent to the Government's proposal. They may, and probably will, pass it without my consent; but I am not going to assist in placing obstacles in the way of French and American citizens becoming naturalized on the same terms as were open to them before the war. That is contrary to international sentiment, and certainly contrary to the spirit that should exist between those who fought side by side in the recent war. Here we tell the people of such countries that we are going to set up a barrier against them, and that we are not going to admit them to citizenship on the terms on which they were admitted before the war. The position in regard to Empire naturalization is different. If the Imperial Parliament thinks that there should be a longer residence in order to secure Empire-wide naturalization, that is its right, and I am not questioning it. But it is our admitted right—Great Britain does not

challenge it—to say that, so far as Australia is concerned, after a residence of two years or such other period as we decide upon, a person may become naturalized under our law, and be entitled to the full rights of citizenship. For these reasons I am supporting the amendment, and I agree with the honorable member for Hunter (Mr. Charlton) that the Minister, with the assistance of his officers, could easily so amend this clause as to enable Australian naturalization to be given on the existing conditions, and Empire naturalization on the condition of five years' residence, which the Imperial Parliament itself lays down in its Naturalization Act.

Mr. McGRATH (Ballarat) [3.13].—I hope the Minister (Mr. Poynton) will agree to the amendment, which is in no wise contrary to the uniformity of practice which he desires to insure. There is no reason why he should not insert in the Bill a clause providing for a residence of five years to qualify for Empire naturalization, and continue the existing law with respect to two years' residence qualifying for citizenship in Australia.

Mr. POYNTON.—I am not going to have duplicate certificates scattered all over the country. There are many misapprehensions under the existing system, and these would be multiplied.

Mr. McGRATH.—There is no reason why there should be any misapprehension on the subject. I do not think we ought necessarily to copy word for word a provision in a British Act. We want uniformity in mining legislation, but are we to secure it at the price of accepting all the Tory ideas of Great Britain? Because the Imperial Parliament has provided for a residence of five years in order to qualify for naturalization in the United Kingdom, I fail to see why we should make the same error in regard to Australian citizenship. During the war we had thousands of Australian soldiers in France, and many of the friends they made there are anxious to come to Australia. Our troops also made friends in Belgium and Italy. These people were told that they could secure naturalization after two years' residence in Australia, but if this Bill be passed, they will find, on coming here, that they are to be treated as foreigners until they have resided in Australia for five years.

A lot of ill-feeling has been aroused in connexion with this matter of naturalization. Many Italians who came out here before the war thought they would find safety under the British flag, and they found, to their dismay, that the Australian Government permitted them to be conscripted, and their wives and children to be starved. Those men were taken from Broken Hill and other parts of Australia at a moment's notice. Those facts are fairly generally known throughout the world. Whilst the Government are crying out for immigrants, they propose to take away from those who have already arrived in Australia one of the rights which new arrivals had prior to the war, namely, to be naturalized after a residence of two years. I cannot vote to make naturalization more difficult. The honorable member for Herbert (Mr. Bamford) spoke of the persons who had not been naturalized, although they had been in the country many years, and only sought naturalization when they desired to qualify for an old-age pension. I admit there is a good deal of truth in that statement; but the honorable member must know that most foreigners have to go to a lawyer to become naturalized, and the process often costs a good deal of money. It is generally because of ignorance that people do not become naturalized. We are anxious to get more immigrants, and the Government propose to spend thousands of pounds per annum in sending back to Europe, as immigration agents, young men who recently arrived in Australia. The best immigrants we can get are from Northern Europe, whether they be Danes, Scandinavians, or Germans. It is not long since Australian Ministers of the Crown went to Germany and urged the people there to emigrate to Australia. A good deal of the people's money was spent in connexion with that propaganda.

Mr. BRENNAN.—They will do the same again, and wonder why the immigrants will not come.

Mr. McGRATH.—I wish the immigrant to feel, when he arrives here, that he is at home, and that he may enjoy the full rights of citizenship as soon as possible. For that reason I support the amendment.

Mr. CONSIDINE (Barrier) [3.19].—Whilst I support the amendment, it appears to me to be not so urgent or vital as some of its supporters think it is. This piece of legislation is designed to dovetail with earlier legislation in regard to immigration which gave the party in office power to hand-pick the immigrants. The consequence is that the immigrants who are likely to come here will not be such as will get any sympathy from me if they have to wait for five years in order to get the inestimable boon of becoming British citizens. We must remember that naturalization did not protect the Italians who were in this country during the war.

Mr. BAMFORD.—Yes, it did.

Mr. CONSIDINE.—It did not.

Mr. BRENNAN.—In *Hansard* may be found the names and addresses of naturalized Italians who were seized and deported.

Mr. CONSIDINE. — The honorable member for Herbert (Mr. Bamford) was in this House when the honorable member for Batman (Mr. Brennan) and others raised this question, and he must know that the great boon of British citizenship conferred upon those Italians was treated as a mere scrap of paper.

Mr. BAMFORD.—Their own Consul would not acknowledge it.

Mr. CONSIDINE. — So the Australian Government was subject to the whims of the Italian Consul!

The CHAIRMAN (Hon. J. M. Chanter).—This discussion is out of order.

Mr. CONSIDINE. — Our naturalization legislation in the past has not protected Italians who, though they were in possession of certificates of naturalization, were conscripted either at the instigation of some foreign Power or by design of the Defence Department. Therefore, it seems to me immaterial whether the period of residence is to be five years or two years.

Mr. BAMFORD.—Then, why bother about it?

Mr. CONSIDINE.—I am glad the honorable member has grasped my viewpoint. It is immaterial whether the period be five years or two years, because if the party at present in power continue in possession of the Treasury benches

naturalization will not protect those whom honorable members opposite do not wish to protect. Immigrants have first to get into the country; and there is another piece of dove-tailing legislation which will enable the Government to take care that the people who come here are those from whom they may expect very little trouble. Probably this legislation is designed to populate Australia with people who have shown in their own countries no spirit of protest against the old *régime*, and who are not likely to cause any inconvenience to the ruling class in this country.

Mr. GABB.—It would be difficult to find those people in Europe now. The people of all countries are waking up.

Mr. CONSIDINE.—The Government cannot exclude the objectionable individual who is born a Britisher. They must confer upon him the privileges to which he is entitled by reason of his birth; but so far as immigrants from foreign countries are concerned, even when they have managed to pass through the legislative sieve which the Government are preparing, the inestimable boon of citizenship, whether it be gained after two years or five years, will be no good to them. They may have all the duties, but none of the privileges, of a British citizen, when it suits the honorable gentlemen who to-day rule the country.

Question—That the word “five,” proposed to be omitted, stand part of the clause—put. The Committee divided.

Ayes	31
Noes	14
			—
Majority	17

AYES.

Atkinson, L.	Jackson, D. S.
Bamford, F. W.	Lamond, Hector
Bell, G. J.	Lister, J. H.
Best, Sir Robert	Mackay, G. H.
Blundell, R. P.	Marks, W. M.
Bruce, S. M.	Marr, C. W. C.
Cameron, D. C.	Maxwell, G. A.
Cook, Sir Joseph	Poynton, A.
Cook, Robert	Rodgers, A. S.
Corser, E. B. C.	Ryrie, Sir Granville
Fleming, W. M.	Smith, Laird
Francis, F. H.	Wienholt, A.
Greene, W. M.	Wise, G. H.
Gregory, H.	Tellers:
Groom, L. E.	Burchell, R. J.
Hughes, W. M.	Story, W. H.

NOES.

Blakeley, A.	Page, James
Brennan, F.	Riley, E.
Charlton, M.	Ryan, T. J.
Considine, M. P.	Tudor, F. G.
Gabb, J. M.	
Mahony, W. G.	Tellers:
Mathews, J.	McGrath, D. C.
McDonald, C.	Moloney, Parker

PAIRS.

Watt, W. A.	Anstey, F.
Bayley, J. G.	Catts, J. H.
Livingston, J.	Cunningham, L. L.
Fowler, J. M.	Fenton, J. E.
Chapman, Austin	Lavelle, T. J.
Gibson, W. G.	Lazzarini, H. P.
Hay, A.	Makin, N. J. O.
Bowden, E. K.	Nicholls, S. R.
Prowse, J. H.	West, J. E.
Jowett, E.	Maloney, Dr.
Foster, Richard	Watkins, D.
Higgs, W. G.	Mahon, H.

Question so resolved in the affirmative.

Amendment negatived.

Mr. BRENNAN (Batman) [3.30].—Sub-clause 5 is as follows:—

In the case of a woman who was a British subject previously to her marriage to an alien, and whose husband has died or whose marriage has been dissolved, the requirements of this section as to residence shall not apply, and the Governor-General may, in any other special case, if he thinks fit, grant a certificate of naturalization, although the four years' residence or five years' service has not been within the last eight years before the application.

That has reference to the question of the effect of marriage on nationality. I propose to move later that a woman shall not forfeit her nationality by marriage with an alien.

Mr. POYNTON.—You have no objection to this sub-clause?

Mr. BRENNAN.—Only that it would be inconsistent with my later amendment, because it refers to a woman who was a British subject prior to her marriage with an alien. It will have no meaning if my later amendment is carried.

Mr. GREENE.—If you are successful later on, this clause can be recommitting.

Mr. TUDOR.—Do it now.

Mr. BRENNAN.—As these words will have no meaning in the light of the new clause I shall propose afterwards, I move—

That the words “In the case of a woman who was a British subject previously to her marriage to an alien, and whose husband has

died, or whose marriage has been dissolved, the requirements of this section as to residence shall not apply, and" be left out.

The rest of the clause will still make good English.

Mr. HECTOR LAMOND (Illawarra) [3.34].—I do not think this is the best time to raise the question of the effect of marriage on nationality.

Mr. BRENNAN.—I shall raise it in a direct way later on.

Mr. HECTOR LAMOND.—I want to be sure that the question of making aliens of Australians who marry foreigners can afterwards be raised, if the amendment which the honorable member for Batman (**Mr. Brennan**) has now moved is rejected. If it cannot be raised later on, we ought to have the debate on it now. The Minister should agree to postpone this clause until we have had the discussion on that very important question.

Mr. POYNTON.—The honorable member for Batman's new clause deals with the whole subject; but this sub-clause covers only a phase of it.

Mr. HECTOR LAMOND.—This sub-clause would be entirely unnecessary if the proposed new clause were carried.

Mr. POYNTON.—It will be easy to take this sub-clause out if the other is carried.

Mr. HECTOR LAMOND.—I want the direction of the Chair as to whether, if the Committee decides that this clause is to stand, we shall be precluded from raising the bigger issue on a later clause.

The **CHAIRMAN** (**Hon. J. M. Chanter**).—That will depend on whether the latter clause is in conflict with what the Committee has already decided.

Mr. HECTOR LAMOND.—That is the point; and I submit that if we allow this clause to stand we shall be precluded from raising the important and broader question later on. Under the circumstances I think the Minister ought to agree to a postponement of the clause. I do not go as far as does the honorable member for Batman; but if we desire to consider whether Australian women who marry aliens are to abandon their Australian nationality, it is a matter that, at any rate, merits consideration, and the discussion should not be ham-

pered by any purely technical point such as that suggested by the Chairman.

Mr. POYNTON.—I have already promised to recommit the clause if necessary.

Mr. HECTOR LAMOND.—That does not meet the case. According to the Chairman, if a later amendment is contrary to what the Committee has already decided, we shall have no opportunity to debate the wider question. The Minister would be in no way prejudiced by the postponement of this clause; indeed, he would save time, because otherwise, I shall debate the matter now. The clause before us provides that under certain conditions a British woman married to an alien may resume her nationality; and if we pass this, we shall be, it seems to me, deprived of an opportunity later of discussing the whole question of the nationality of women who are married to foreigners. Will the Minister agree to a postponement?

Mr. POYNTON.—I do not think so; we have been all the afternoon over this matter, and I do not see that this clause affects the discussion on a later clause dealing with quite a different matter.

Mr. HECTOR LAMOND.—It is the same matter, but the clause before us deals only with a portion of it. If the Committee decide later that Australian-born women, or British subjects, are to carry their nationality, despite their marriage, then the portion that the honorable member for Batman proposes to omit is meaningless and worthless. The Committee should be able to approach the greater question unrestricted by anything done previously. If the Minister will not give way, it will only mean two debates instead of one. I move—

That the consideration of this clause be postponed.

The **CHAIRMAN**.—There is an amendment before the Chair, which must first be disposed of.

Mr. HECTOR LAMOND.—I am not in favour of the proposal of the honorable member for Batman, and would move an amendment on it, but I cannot do so now.

The **CHAIRMAN**.—If the honorable member for Batman asks leave to withdraw his amendment, and the Committee

sanction that course, the honorable member will be in order in submitting his motion; but until the amendment is disposed of he cannot intervene.

Mr. BRENNAN.—My only difficulty about withdrawing the amendment is—

The CHAIRMAN.—The Minister has suggested to me that progress be reported. Progress reported.

SEA CARRIAGE COMMITTEE.

Final report of Select Committee presented by Mr. McWILLIAMS.

Ordered to be printed.

ADJOURNMENT.

UNIFORM RAILWAY GAUGE.

Motion (by Mr. GROOM), proposed—
That the House do now adjourn.

Mr. HECTOR LAMOND (Illawarra) [3.46].—I wish to draw attention to an important matter that may probably come up for consideration at the next Premiers' Conference. I refer to the establishment of a uniform railway gauge throughout the Commonwealth. There are a great many difficulties surrounding this question which are now being dealt with by the engineering experts of the various railway systems, but I have not been able to ascertain whether consideration has been given to the possibility of linking up the coastal railways of Victoria and New South Wales, which would afford the readiest and cheapest means of securing a standard gauge at the earliest date between Melbourne and Brisbane. I am informed that an expenditure of about £3,500,000 would fill the gaps in the coastal system of the three States, between Brisbane and Melbourne. These are lines which must necessarily be constructed before very long, and the amount of expenditure involved would be but a small fraction of what will eventually be required for the purpose of unifying the gauges of the lines at present being operated between the two capitals.

Mr. GROOM.—I have noted the honorable member's remarks.

Mr. GABB.—I call attention to the state of the House.

A quorum not being present,

Mr. Speaker adjourned the House at 3.50 p.m.

10 Z

Senate.

Wednesday, 3 November, 1920.

The PRESIDENT (Senator the Hon. T. Givens) took the chair at 3 p.m., and read prayers:

SOLDIERS' HOMES.

Senator DE LARGIE.—I ask the Minister for Defence (Senator Pearce) whether he is yet in a position to reply to the question put to him by Senator Gardiner, in reference to soldiers' homes, as far back as the 17th September last?

Senator PEARCE.—When the question was asked by Senator Gardiner, the reply given was that the desired information was being compiled. The statement is of a very lengthy character, and I shall, therefore, lay it upon the table of the Senate.

PAPERS.

The following papers were presented:—

Defence Act.—Regulations amended.—Statutory Rules 1920, Nos. 178, 179, and 180.

Distillation Act.—Regulations amended.—Statutory Rules 1920, No. 184.

Excise Act.—Regulations amended.—Statutory Rules 1920, No. 183.

Houses built by War Service Homes Commissioner up to 31st July, 1920—Particulars *re* (in answer to question by Senator Gardiner).

Public Service Act.—

Appointment of A. Dunn, Department of the Treasury.

Promotion of E. C. Lindsay, Attorney-General's Department.

Railways Act.—By-law No. 16.

ADJOURNMENT (Formal).

PILFERING ON WHARFS.

The PRESIDENT (Senator the Hon. T. Givens).—I have received from Senator Earle an intimation that he desires to move the adjournment of the Senate in order to call attention to a matter of urgent public importance, and one involving the good name of Australia, *viz.*, "the pilfering which is alleged to be going on upon the wharfs of the Commonwealth."

Senator EARLE (Tasmania) [3.4].—
I move—

That the Senate, at its rising, adjourn until
9 a.m. to-morrow.

*Four honorable senators having risen
in their places in support of the motion,*

Senator EARLE.—I have submitted
this motion in order that a question
which is of vital importance to the good
name of Australia may be discussed, and,
if possible, some effort made towards the
maintenance of that good name, assum-
ing that the statements which I am about
to read should prove to be true. These
statements are contained in the *Indus-
trial Australian and Mining Standard* of
Tuesday, 28th October last. Before in-
dulging in any comment, I propose to
read a few extracts from two articles ap-
pearing in that publication, which will,
I think, impress honorable senators with
the necessity for taking some action in
this connexion.

Senator ELLIOTT.—Who wrote the
articles?

Senator EARLE.—One was written by
the editor of the journal in question, and
the other article is unsigned, but was
published with the authority of the
paper. The first extract from the lead-
ing article to which I desire to direct at-
tention reads—

The facts and statistics which we publish in
another column indicate that the annual toll
exacted by the water-front thieves exceeds
£500,000. But this estimate is evidently far
under the mark, for it takes no account of the
immense number of petty pilferings which, al-
though vast in aggregate bulk, are considered
individually too small to warrant special
claims on the shipping and insurance com-
panies, and are suffered by the victims in
silence. Were a strict census to be made of
these larcenies, the yearly pillage would prob-
ably be found to amount to substantially up-
wards of £1,000,000.

Senator KEATING.—In Australia?

Senator EARLE.—Yes. Another ex-
tract reads—

That is to say, the thieves, in addition to
their wages, earn in the neighbourhood of
£1,000,000 per annum by barefaced robbery,
by brazenly looting the goods committed to
their charge.

Another extract says—

We prefer to state our opinion with stark-
ness and candour. Our deliberate opinion is
that a large proportion of the men working
on the Australian water front is thoroughly
corrupt.

These statements are indeed alarming. I
come now to the special article to which
I have previously referred, an extract
from which reads—

An organized gang of thieves, banded to-
gether as a bunch of conspirators, is included
amongst the select and exclusive organization
of workers who operate on the wharfs of Com-
monwealth ports.

Still another extract reads—

If our water fronts are to be made the happy
hunting grounds of gangs of the worst type
of criminals, and if to clear our ships we must
employ such creatures, then, indeed, it is time
we considered whether a White Australia is
worth while. We pride ourselves in the know-
ledge that Australia is white—skin deep—but
a black soul is infinitely worse than a black
skin. We challenge the Waterside Workers Fed-
eration of Australia to deny that it has in its
membership lists men who, combined, comprise
a gang of the worst type of thief. The Water-
side Workers Federation, as far as we are able
to ascertain, has taken no steps whatever to
cull out the criminal from its ranks. Con-
viction for pilfering is no bar to membership
of this organization. A member caught red-
handed taking that which is not his is re-
garded as unlucky—"stiff" as the "wharfies"
term it. After being fined, or after serving a
short term of imprisonment, he returns to the
wharf, is "picked up," and those who own
the ships and the cargo the ships carry,
dare not point the finger at him. If this con-
victed thief is refused work, the charge of
victimization is hurled at the employer. Such
is the condition of labour on the water front.

The article then proceeds to give a num-
ber of the claims made last year for com-
pensation, either from shipping or insur-
ance companies, for pillage from dif-
ferent ships. These claims number
seventy-eight, and involve a loss of
£5,127 17s. They run from a few shil-
lings up to £900. Included among them
are the *Sussex*, Philadelphia to Mel-
bourne, £15 15s.; *Ormonde*, London to
Melbourne, £9 13s.; *Demosthenes*, Lon-
don to Melbourne, £242; *Demosthenes*,
London to Melbourne, £108; *Ceylon*,
Ceylon to Sydney, £29 14s.; *Waitemata*,
Sydney to Auckland, £34 8s. 8d.; *Euri-
pides*, London to Melbourne, £350; and
the *Marathon*, London to Melbourne,
£900. There are a few cases of pillage.

Senator CRAWFORD.—Were not all
these claims made on one insurance com-
pany?

Senator EARLE.—The article says:—
"The following claims in respect of miss-
ing goods are made on the company." I
am not sure about it, but the article
would lead one to believe that those were

claims on one company only, because the aggregate amount for the year's operations is £500,000, and the writer is of opinion that the total would be nearer £1,000,000 if the whole of the losses were taken into consideration. This statement is one of the most serious stigmas ever cast, not only on the men actually working on the water front, but on the good name of Australia. It behoves every one of us, whether we are private citizens, or members of the Waterside Workers' Federation, or members of the Federal Parliament, to do our utmost to ascertain whether these things are actually true, and, if true, remedied, or, if untrue, then thoroughly and effectively contradicted. If the statements are true, the newspaper deserves the very greatest credit for having exposed what is going on in this fearless manner. If they are untrue, then it is the duty of those interested in the welfare of Australia to see that the lie is, metaphorically speaking, rammed down the throat of the paper. I hold that there are three parties who ought to be active in the investigation of this wrong, and in either its eradication or the exoneration of those who are now under suspicion.

Senator R. STORRIE GUTHRIE.—How can you do it?

Senator EARLE.—That is what I want to know. Those three parties are the Federal Parliament and Government, who are the custodians of the good name of the Commonwealth; the State Governments, who are the custodians of the good name of the trading interests of the different States, and the waterside workers themselves, who are the custodians of the good name of their members. Those three bodies should act jointly, in order to sift this matter to the very foundation.

Senator R. STORRIE GUTHRIE.—Suppose the pilfering takes place on the other side of the world. How are you to get at it?

Senator EARLE.—That is what I also want to find out. If you remain silent and shut your eyes to the fact that these things are happening, hiding your head in the sand like an ostrich, and thinking that your enemies cannot see you because you cannot see them, you can accomplish nothing. If the thefts are taking place in some other part of the world, and our men are innocent, it is our duty to try to exonerate them, and remove from them the stigma now cast upon them.

There are other phases of this question which are also interesting to a very large number of the people of the Australian States. A good number, who claim to be losers by this system of wholesale robbery, make no "bones" about inferring that the police are in collusion with the thieves on the waterside front. They say that pianos, and cases of boots, could not be removed surreptitiously and unknown to the police. This is a thing which affects the honour of the police of the different States as well as the waterside workers themselves. There is in the minds of a large number of people very grave suspicion that a serious combination is operating in Australia, and extending beyond Australia, for the robbery of the people at the different ports. As an indication of that sort of thing, it is stated in the article that boots were favorite objects for pillage, and an exporter, in order to protect himself, shipped boots in sections—the left boots in one ship, and the right boots in another. According to the article, the cases arrived; but when they were assembled, two cases of left boots were missing from one ship, and two of right boots from the other. This clearly indicates that a world-wide organization is at work.

Senator. WILSON.—They regulate things pretty well, then.

Senator EARLE.—Evidently. If that statement is true, the thieving is not going on solely at our ports, and a combination of very much greater magnitude must exist. It behoves us, therefore, to take steps to ascertain the truth of these assertions. If they are true, it is our duty to eradicate the evil, no matter what it costs. If they are false, it is our duty to exonerate those who are now accused. During the last five years Australia became better known throughout the world than it has been for generations past, in consequence of the work done by our boys at the war. They built up a great name for Australia, and it is our duty to do our utmost to retain it, and to resent a statement which brands us as a combination of thieves. If we do not resist the thefts, we must take the responsibility of being charged with them. I say that also candidly to the members of the Waterside Workers Federation. I know some members of that body in my own State, and am absolutely confident that individually they are honorable men; but I tell them

that if they do not become active in resisting this system, or proving that it does not exist, then they become corrupt, although they may not be corrupt as individuals. They must take the responsibility of having associated themselves with those who are corrupt, unless they make an effort to purge their organization of that class of man.

There are many possibilities in connexion with this matter. Senator R. Storrie Guthrie suggested by interjection that the thefts might take place on the other side of the world.

Senator WILSON.—That cannot be so. The honorable senator has read a statement that when men return to work after being convicted, a fuss is made of them.

Senator EARLE.—That is what the paper says. The statement is that they are not in any way penalized by the organization for having been convicted. The paper may be quite right in saying that they are hailed as unfortunates and excused for their crime, but they may have a different story to tell. We do not know. We cannot take that statement *ex parte*.

Senator DRAKE-BROCKMAN.—We know there have been many convictions here.

Senator EARLE.—Yes; but we do not know to what extent the offenders have been punished. We want to know whether the organization does not value its good name, and whether it is prepared to co-operate with the Federal and State Governments in order to clear itself. If it will not its members must be regarded as guilty by condoning the action of those with whom they are associated. There are many kinds of dishonest people, the actions of whom are brought under our notice from time to time. There are some who endeavour to defraud the public by selling goods not true to name, and I hold that a man who will sell footwear, consisting of wood, paper, and leather as a leather article is as great a thief as the one who deliberately steals boots from a case. It is quite possible, as suggested by Senator R. Storrie Guthrie, that some of the pillaging is done before the cargoes arrive here.

Senator DRAKE-BROCKMAN.—Three rolls of silk were recently taken from a place on the wharf which had a double lock.

Senator EARLE.—If that is so we want to know how such cases can occur. I have moved the motion in the hope that this matter will be taken up in other quarters, and that an agitation will be set on foot which will either prove the innocence or guilt of the men. If they are proved to be guilty of contaminating the good name of Australia they should be placed in a position where they will not be able to carry on their nefarious occupation.

Senator DRAKE-BROCKMAN.—How can we overcome the difficulty?

Senator FOLL.—By utilizing the Commonwealth police.

Senator DRAKE-BROCKMAN.—The wharfs are under the control of the States, and the Customs under the control of the Commonwealth.

Senator EARLE.—The difficulty can be overcome by the Commonwealth deputing the whole of its authority, as far as criminal jurisdiction is concerned, to the States which control the police. It is surely the duty of the police to prevent pillaging, and although the wharfs are under the control of the States that is no reason why the law should not be satisfactorily administered.

Senator CRAWFORD.—Pilfering is not an offence against the Customs Act.

Senator EARLE.—No; but it is an offence against the common law of any State.

Senator CRAWFORD.—Is not this wholly a State matter?

Senator EARLE.—Yes; but it is the duty of the Commonwealth to interfere if the States are not carrying out their duty. If we find that the States are remiss in administering the law to prevent theft and robbery it is the duty of the Commonwealth, in maintaining and defending the good name of Australia, to take some action, even if it is necessary to appoint police of our own, as suggested by Senator Foll.

Senator FOLL.—I did not suggest appointing Commonwealth police, but utilizing the services of those already appointed.

Senator PEARCE.—There are no Commonwealth police at present.

Senator EARLE.—I know that. If it can be done in no other way the good

name of Australia is of sufficient importance to warrant the Government in appointing special police to serve on all the wharfs throughout Australia if the laws are not being properly administered by the State police.

Senator WILSON.—What would the honorable senator suggest?

Senator EARLE.—I suggest that the Commonwealth Government should confer with the State Governments to ascertain what they intend doing. In the first place, inquiries could be made to see if the statements are true, and, if they are, investigation should be made to ascertain how thefts can occur unknown to the police.

Senator DRAKE-BROCKMAN.—Strong boxes have been erected on the wharfs, and still the stuff gets away.

Senator EARLE.—Then there cannot be any police supervision.

Senator DRAKE-BROCKMAN.—There is supposed to be police supervision.

Senator EARLE.—Then it cannot be very rigid. It is difficult to understand how a strong box could be opened, or how a piano or cases of goods could be removed from the wharfs unknown to the police. I can only suggest that an effort be made to arouse public opinion, and that something be done to more effectively organize police supervision on the wharfs. It is certainly the duty of the State Governments to make a stronger effort to prevent the wholesale thieving which is going on at present.

Senator PEARCE (Western Australia—Minister for Defence) [3.27].—I think Senator Earle has done right in directing the attention of the Senate and of the people generally to this alarming statement, because it is alarming if goods to the value of £500,000 are illicitly disappearing from the wharfs in different parts of the Commonwealth. Senator Earle has said that the circumstances set out in the article constitute a stigma upon the good name of Australia, and especially upon that section of Australian labour charged with the crime. I do not quite follow Senator Earle when he says that there are three parties directly concerned—namely, the Federal Government, the State Government, and the waterside

workers' organization. It seems to me quite clear that if the charges are true they constitute a challenge to the police control provided by the States, and amount to a charge of ineptitude on the part of the police. It is clearly the duty of the State police to safeguard property and life, irrespective of whether the property happens to be on ships or on wharfs, and in that regard the good name of Australia is in the hands of the State Governments. The fact that we have a Federal Government does not give us more authority to guard the good name of Australia than is contained in our Constitution, and the work is clearly that of the States. I think Senator Earle has been forced to that conclusion, and in the article he quoted there was a suggestion that in many instances pilfering could not have been carried out except by collusion with the police.

Senator EARLE.—I said that was the suspicion held by many people; the article does not infer that.

Senator PEARCE.—Senator Earle seemed to think that because the Commonwealth took a certain degree of control through the Customs Department, that fact, in some way or other, made the Commonwealth the guardian of property which was the subject of Customs duty. Such is not the case. Customs control is for a definite purpose, namely, the collection of revenue. The Customs Department is not concerned to know whether an article under its control reaches its proper owner, but that it does not escape taxation. To that extent only is the Commonwealth, by its Customs control, concerned in this matter.

Senator DRAKE-BROCKMAN.—The Customs authorities levy on an article whether it reaches its owner or not.

Senator PEARCE.—They are responsible for seeing that the thief does not become also a smuggler.

Senator KEATING.—Once an article passes through the Customs, it becomes general property, and thus is subject to the control of the State.

Senator PEARCE.—The inference contained in the article is that pilfering takes place before articles have passed through the Customs; that is, while they are actually in the ship.

Senator KEATING.—Under our Sea-Carriage of Goods Act we have thrown a heavy responsibility on the ship-owner.

Senator PEARCE.—We have. The control of the Customs is not a control against theft, but against smuggling. It is a responsibility of the Commonwealth to see that revenue is not affected; but it is the duty of the police to see that property is not stolen. Senator Earle has made the suggestion that the Commonwealth Government should endeavour to get into communication with the State authorities in order to bring about concerted action.

Senator EARLE.—If necessary.

Senator PEARCE.—I shall take steps to bring his suggestion under the notice of the Government; but it appears strange, if the offence is as serious as is represented by the article, that the commercial community, with its well-known influence, has not been able to secure some inquiry by the State Governments. I have not noted any very energetic representations in that regard. Perhaps the commercial community fears reprisals of the nature indicated by Senator Earle.

Senator WILSON.—It often pays better to accept a loss rather than go to the expense of getting the Government to move.

Senator PEARCE.—That may be so; but no self-respecting organization, whether of labour or of capital, would sit quiescent, I should think, under such charges as have been made. One would, at any rate, expect some reply, some form of denial, some attempt on the part of the organizations whose members are implicated to answer the allegations.

Senator KEATING. — The Tasmanian Chief Justice passed sentences of five years each upon a few of these thieves some weeks ago.

Senator PEARCE.—The general tenor of the article quoted indicates that it is almost impossible to catch the culprits. I have heard that detectives have been placed on duty, but that their lives have been rather unsafe. If a detective happens to go down a hold, he may become endangered owing to a case of goods falling down. One can conceive the possibilities in such circumstances.

Motion, by leave, withdrawn.

ASSENT TO BILLS.

Assent to the following Bills reported:—

Kalgoorlie to Port Augusta Railway Lands Bill.

Income Tax Bill.

Judiciary Bill.

NAVIGATION BILL.

Bill returned from the House of Representatives with a message notifying that it did not insist on its amendment No. 9, disagreed to by the Senate, that it had agreed to the amendments made by the Senate in clause 23, and that it had agreed to the amendments made by the Senate to amendment No. 11 of the House of Representatives.

TREATY OF PEACE (GERMANY) BILL.

Bill received from House of Representatives, and (on motion by Senator PEARCE) read a first time.

Senator PEARCE (Western Australia—Minister for Defence) [3.38].—In moving—

That so much of the Standing and Sessional Orders be suspended as would prevent the Bill being passed through all its stages without delay.

I desire to intimate that it is not intended to exercise to the full the powers which I have just proposed. I intend to move the second reading at a later stage. The measure is a formal one, and I suggest that, following upon the motion for the second reading, the debate be adjourned until to-morrow.

Question resolved in the affirmative.

TREATIES OF PEACE (AUSTRIA AND BULGARIA) BILL.

Bill received from House of Representatives, and (on motion by Senator PEARCE) read a first time.

Senator PEARCE (Western Australia—Minister for Defence) [3.39].—I move—

That so much of the Standing and Sessional Orders be suspended as would prevent the Bill being passed through all its stages without delay.

I intend to ask the Senate to adopt the same procedure with this measure as with

that preceding it. At a later stage I shall move the second reading, after which, I suggest that the debate be adjourned until to-morrow.

Question resolved in the affirmative.

CUSTOMS BILL.

Bill received from the House of Representatives, and (on motion by Senator RUSSELL) read a first time.

QUARANTINE BILL.

Bill returned from the House of Representatives with an amendment.

TREATY OF PEACE (GERMANY) BILL.

SECOND READING.

Senator PEARCE (Western Australia—Minister for Defence) [3.42]. — In moving—

That this Bill be now read a second time,

I may point out that it amends, in a certain unimportant particular, the Act providing for the ratification of peace with Germany. When the Treaty of Peace Bill was passed, provision was not made extending it to the Territories of the Commonwealth, and it is necessary now that this should be expressly provided for, hence the introduction of this measure, which provides that the Treaty of Peace Act 1919 shall apply to the Territories under the control of the Commonwealth, including any Territory governed by the Commonwealth under a mandate. It will be seen, therefore, that the amendment is purely technical in character.

Debate (on motion by Senator DE LARGIE) adjourned.

TREATIES OF PEACE (AUSTRIA AND BULGARIA) BILL.

SECOND READING.

Senator PEARCE (Western Australia—Minister for Defence) [3.43]. — I move—

That this Bill be now read a second time.

The measure is of special interest to me, because on the 10th September, 1919, I had the honour of representing the Commonwealth at the signing of the Treaty of Peace with Austria at Saint Germain-En-Laye, in France. It was a most interesting ceremony, and one that I shall always remember, but

it was of less significance to Australia than the signing of the Peace Treaty with Germany. Nevertheless, it is necessary that Australia, as one of the parties to the Treaty, should now ratify it. On the 27th November, 1919, the High Commissioner, as representing Australia, signed the Treaty of Peace with Bulgaria. Copies of these Treaties have been before honorable senators for some time, and I take it that they have had an opportunity of perusing them. It is now proposed, by this Bill, to make the necessary provision to carry into effect the terms of the Peace Treaty, by empowering the Governor-General to make regulations and to do such other things as may appear to be necessary. Power is also given in the Bill to impose penalties for breaches of these regulations. The omission in the German Peace Treaty Act has been overcome in this Bill, which provides that the measure shall extend to the Territories under the authority of the Commonwealth, including those over which we have a mandate.

Debate (on motion by Senator DE LARGIE) adjourned.

ADJOURNMENT.

ORDER OF BUSINESS—WAR GRATUITY BONDS.

Senator PEARCE (Western Australia—Minister for Defence) [3.45]. — In moving—

That the Senate do now adjourn,

it would, perhaps, be just as well if I gave some indication of the business the Senate will be called upon to consider. The Bills which I have submitted this afternoon are very largely technical in character, and will be proceeded with. My colleague (Senator Russell), the Minister representing the Minister for Trade and Customs, will move the second reading of the Customs Bill, which will be circulated now that it has been read a first time. I hope, also, to have the draft of the Air Navigation Bill, and to move the first and possibly the second readings to-morrow. I understand that this will about exhaust the business available to the Senate, owing to the fact that another place is not dealing with measures quite as quickly as we do. A number of honorable senators will be absent next

week, and in order that honorable senators may make their arrangements, I think it only right that I should intimate now that, probably, the Senate will not be meeting next week.

Senator FOLL (Queensland) [3.46].—I desire to draw the attention of the Minister for Defence (Senator Pearce) to the position with regard to the war gratuity bonds, which is causing a certain amount of dissatisfaction to a number of returned soldiers in my State, and, I doubt not, in other States as well. Honorable senators will remember that when the regulations dealing with the issue of war bonds were framed provision was made for the payment of cash in certain circumstances. In a number of cases soldiers who were not anxious at the time for cash, applied for bonds, feeling that they would be a better investment. Since then, owing to altered financial circumstances, they are now in need of cash, but unfortunately are precluded from obtaining it in return for their bonds, although, I understand, they came under the regulations entitling them originally to payment in cash. One very sad case has come under my notice, and I have communicated with the Treasurer (Sir Joseph Cook), but not having that gentleman's permission I cannot quote it as an individual case. It appears to me to be rather unfair that, because a man did not originally ask for cash, although he was entitled to it, but decided, in the interests of his country to apply for bonds, he should now be unable to draw cash. I ask the Minister to bring this matter under the notice of the Treasurer, to see what can be done.

Senator PEARCE (Western Australia—Minister for Defence) [3.48].—I take it the honorable senator has already brought this matter under the notice of the Treasurer.

Senator FOLL.—As an individual case, but not as a general principle.

Senator PEARCE.—Of course, I am not entitled to speak for the Treasurer, but I am inclined to think that he will not be disposed to lay it down as a general principle that a returned soldier who applies for bonds and subsequently changes his mind shall be entitled to get cash now.

Senator FOLL.—I am referring to men who were entitled to cash originally.

Senator PEARCE.—There may be a considerable number even of those cases. I will put the matter as it has been represented by Senator Foll to the Treasurer. It seems to me, however, that it is a question of the submission of individual cases to the Treasurer rather than one of asking him to lay down a general rule such as that to which I have referred. I will obtain a reply from the Treasurer, which I will forward to the honorable senator.

Question resolved in the affirmative.

Senate adjourned at 3.51 p.m.

House of Representatives.

Wednesday, 3 November, 1920.

Mr. SPEAKER (Hon. Sir Elliot Johnson) took the chair at 3 p.m., and read prayers.

INCOME TAX BILL.

Assent reported.

JUDICIARY BILL.

Assent reported.

NORTHERN TERRITORY ADMINISTRATION.

Mr. MAKIN.—I wish to know if the Government have finalized the appointments to administrative positions in the Northern Territory, and, if not, when it is anticipated that a statement on the subject will be made to the House?

Mr. POYNTON.—A sub-committee of the Cabinet has been appointed to go through the applications, and I expect to be able to make an announcement within a few days.

FOREIGN EXCHANGE.

LOSS OF CUSTOMS REVENUE.

Mr. GREGORY.—Has the attention of the Minister for Trade and Customs been drawn to a circular issued by Mr. Greatrex, a Sydney accountant, in which it is pointed out that by the imposition of duties based on the mint par rate of exchange, there was a loss for the year 1919-20 of £2,789,000 in connexion with

goods imported from the United States and Japan, and that on goods imported from France and Italy, £884,000 was collected in excess of what should have been paid? I ask the honorable gentleman if he will have the statement analyzed with a view to furnishing the House with the departmental opinion concerning it?

Mr. GREENE.—I have already on several occasions dealt in this House with similar statements, and have admitted that, under the system which we believe to be required to be followed by the law of the land, we have not got as much duty from certain importations as we should have received had another method of valuation been adopted. It is impossible to get accurate information as to the loss of revenue, because, to do so, every individual invoice would have to be examined in connexion with the variations of exchange from time to time, so that only an approximation to the actual figures can be obtained. I am inclined to think, however, that the figures mentioned by the honorable member are pretty wide of the mark.

POLITICAL DEGENERACY.

Mr. MATHEWS.—Has the Prime Minister read a statement made by a representative of the *Times* who visited Australia with the Prince of Wales, in which that gentleman speaks broadly of the degeneracy of the political world of Australia, and playfully refers to the Prime Minister as the principal degenerate.

Mr. HUGHES.—I have not read the statement. In what newspaper has it appeared?

Mr. MATHEWS.—I saw it in the *Age*. I mention it thinking that the Prime Minister might like to reply to it.

Mr. HUGHES.—I do not admit its truth.

HIGH COMMISSIONER'S OFFICE.

Mr. TUDOR.—Is it correct, as is stated in the newspapers, that practically every Commonwealth Minister who has left Australia for England during the past four or five years has been instructed to reorganize the High Commissioner's Office, and that Commonwealth Government officials have also gone to England with that purpose in view? Is there any truth in any part of the statement?

Mr. HUGHES.—Certainly, the statement is not correct. As to whether there is any truth in any part of it, that is a difficult question to answer.

Mr. TUDOR.—The newspapers are saying that every Minister who has gone from here has been instructed to reorganize the High Commissioner's Office.

Mr. HUGHES.—I do not think it quite accurate to say that the newspapers are saying that; one man in London, who represents a newspaper, is saying it. When I was last in that city, it contained about 7,000,000 inhabitants, and I do not know that we need feel much alarmed at anything that only one of them may say.

GERMAN NEW GUINEA.

Mr. MAHON.—Has the attention of the Prime Minister been drawn to the report concerning the rather extraordinary proceedings of the Expropriation Committee's proceedings in German New Guinea, disclosed in yesterday's *Argus*?

Mr. HUGHES.—I saw in the *Argus* newspaper an article about the Expropriation Board, which I considered most unfortunate, because calculated to considerably embarrass this country. Honorable members know that it cost us a great deal of money, to say nothing of the lives sacrificed in the war, to obtain control of German New Guinea. The Peace Treaty provides for our dealing with German nationals there, and it must come with some shock to Australians to find an Australian newspaper taking upon itself to uphold German interests.

Mr. MAHON.—It does not do that.

Mr. HUGHES.—Then I must have read a different article from that to which the honorable member refers, and therefore am unable to answer his question.

WHEAT HARVEST 1920-21.

COMMONWEALTH GUARANTEE—PRICE FOR LOCAL CONSUMPTION.

Mr. HUGHES (Bendigo—Prime Minister and Attorney-General) [3.10].—(*By leave*).—Last week I stated that I hoped to be able to give honorable members certain information of interest to the community in general, and to the primary producers in particular, relating to wheat. I desire to deal, firstly, with the Commonwealth guarantee of 5s. per bushel

for wheat delivered at railway sidings; and, secondly, with the price of wheat for local consumption. I will deal with these matters in that order. As to the 5s. guarantee, there was a discussion in this House last week in reference to the obligation of the Commonwealth in this regard, and I then took the opportunity of stating the position as the Government understood it. Upon a motion, which had been moved by the Leader of the Opposition (Mr. Tudor), an amendment was moved by the honorable member for Dampier (Mr. Gregory), which the Government accepted, and the House approved. That resolution, to which I said the Government would endeavour to give effect, was as follows:—

That the Government, having guaranteed the producer 5s. per bushel at sidings for this season's wheat, should arrange for payment of same on delivery by cash and certificates, such certificates to be repayable in such instalments and at such periods as recommended by the Central Wheat Board; and, in the opinion of this House, nothing should be done that would prevent the producer from receiving export parity for all wheat, including wheat for home consumption.

My right honorable colleague, the Treasurer (Sir Joseph Cook), and I had an opportunity last week of conferring with representatives of the Associated Banks and the Governor of the Commonwealth Bank. The wheat position was discussed in all its aspects. It was fully realized that a large sum of money, certainly £30,000,000, and possibly more, was involved. The question was one of very great importance. A satisfactory solution had, if at all possible, to be found. Eventually the following arrangement was agreed to:—

That in respect of wheat delivered at railway sidings, an immediate cash payment of 2s. 6d. per bushel be made, and a certificate representing 2s. 6d. per bushel, and payable on 30th April, be issued.

This agreement was carried subject to ratification by the Commonwealth Government and by the Boards of the banks. Both Cabinet and the different banks have now approved, and this morning I had the honour of referring the agreement to the Australian Wheat Board, who also unanimously indorsed it. I shall now endeavour to explain the operation of the scheme. It involves the payment

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of 2s. 6d. in cash, and the issue of a certificate for 2s. 6d., redeemable on 30th April. In order that honorable members and the farmers may understand exactly what this means, it is necessary that I should point out the fundamental difference between this certificate and those issued previously. The previous certificates were redeemable, not on any definite day, but on a date to be fixed. As no one knew when they would be redeemed, naturally they fluctuated in value very considerably, and it is only right to recall the fact that speculators reaped a very great and unfair proportion of the money that the Commonwealth and the Pool had to find. The certificates issued under the new arrangement stand in an entirely different category. They will be redeemable by the banks on 30th April; and so have an immediate value. They will be practically ninety days' bills. The ordinary commercial terms of discounting a stock bill at up to four months are $2\frac{1}{2}$ per cent. commission, plus interest at 8 per cent. per annum. That works out at about 2s. 3d. for every 20 bushels of wheat, or a little more than 1 7-20d. per bushel. For all practical purposes, therefore, the cash equivalent of the 2s. 6d. certificate under the arrangement made by the Commonwealth is 2s. 6d., less, say, 1½d., or 2s. 4½d. This applies to the 2s. 6d. certificate payable on 30th April. In addition, of course, the farmer will receive 2s. 6d. cash. Honorable members will appreciate the advantage of this arrangement over those previously adopted. These certificates, I have no doubt, will be sufficient for all the pressing needs of the farmer and will enable him to meet his obligations for machinery, debts due to the storekeeper, liabilities in respect of mortgages, &c. The certificate, then, is a gilt-edged security, redeemable in ninety days; and, although the banks are under no obligation to cash them before 30th April, the certificates will readily be accepted in payment of debts, or cashed by those who discount bills on or about the terms I have stated. I ask the farmers to note particularly that the certificates are worth what I say within a fractional margin, and I hope they will refrain, therefore, from allowing the speculator to enrich himself at their expense. The Commonwealth is paying

6 per cent. per annum for this money, has engaged to repay £15,000,000, or half the total amount, whatever that may be, in six months, and the remaining half in twelve months, with the right of reviewing the position at the end of twelve months if we are unable to meet our obligations at that time. These, then, are the details of the arrangement, which the Wheat Board regards as entirely satisfactory, and I venture to say it is one which will commend itself, not only to honorable members in this House, but to the farming community generally.

I leave this matter for a moment and come now to the question of wheat for local consumption, which is covered by the second portion of the resolution to which this House assented last week. I remind honorable members that the Government of the Commonwealth, when before the electors, stated that it was not in favour of the continuance of the Wheat Pool, and that it would do nothing to prevent the farmers getting the world's parity for their wheat, whether that was needed for local consumption or export purposes. I have explained at length the circumstances which induced the Commonwealth Government to accept the invitation of the State Governments to enter the Pool. The action of the States relieved us from our obligation under the promise we made that we would do nothing to prevent the farmers getting the world's parity for their wheat. Honorable members are familiar with the facts. The wheat-producing States had formed a Pool, and had passed such legislation as made private trading in wheat impossible. The farmer was unable either to export his wheat or to sell it locally. The wheat, therefore, for all practical purposes, having passed from the farmer to the State, the Commonwealth had to consider whether it ought to remain outside the Pool. As the Pool would be very seriously embarrassed if the financial support of the Commonwealth was withheld, the Commonwealth thought it its duty to become a member of the Pool; and that it did with, I feel quite sure, the approval of the overwhelming majority of the members of this Chamber. The Commonwealth Government clearly stated its policy in regard to the right of the wheat-grower to the world's parity, but the wheat-producing

States having subsequently taken such action as prohibited private trading, and which, for all practical purposes, they acquired the wheat, so completely changed the position that action by the Commonwealth was called for in order that its policy, as clearly stated at the election—viz., that the farmer was entitled to world's parity—should be given effect to. The Commonwealth, therefore, being pledged to do nothing to prevent the grower getting the world's parity for wheat for local consumption, when a Conference was called upon to consider the question of fixing the price of wheat for local consumption, the Government decided to be represented thereat. The Conference met on Friday last, and was attended by the Premiers and the Ministers of Agriculture of all the States, including the non-wheat-export States—Queensland and Tasmania. It was a very representative Conference, and the farmers' representatives were present from New South Wales, Victoria, South Australia, and Western Australia. The matter was considered at considerable length, and every aspect of the problem carefully reviewed.

I may remind honorable members that the Wheat Board, as such, has nothing to do with fixing the price for local consumption; that is a question for the States, *qua* States, not the Pool. So it was a proper thing that the States should decide this matter; although all the members of the Wheat Board were, in fact, present at the Conference. The Conference at once recognised the necessity of coming to a decision without delay. There were two alternative policies—one to fix the price from month to month, or from time to time, and the other to fix a uniform price for twelve months. Both of these courses had their advantages and disadvantages. The Commonwealth and the States—at any rate, the wheat-producing States—all agreed that the producer was entitled to the world's parity for local consumption. The Commonwealth had to consider the interests of the producers in the light of the pledge the Commonwealth had given them, and representatives of the States and the Commonwealth had to consider the interests of the consumer, for we were dealing with the staple commodity of the people. And the Conference was

faced by this fact: It was essential to retain a sufficient quantity of wheat to supply the whole of Australia, not only for twelve months, but to meet a possible shortage or a failure in the next crop. The Conference, in approaching the question, considered the position of the farmer, who, being denied the opportunity of selling at the present world's parity that wheat withdrawn from the exportable Pool, was of opinion that he was entitled to some consideration on that account. The interests of Australia demand that we should retain a sufficient quantity of wheat to feed our own people: on the other hand, the farmers are entitled to the whole benefit of the world's price for their wheat. We were confronted by these two more or less conflicting interests, and we had to endeavour to harmonize them. We were dealing with a very large quantity of wheat compulsorily withdrawn from the Pool. Much of this wheat would not be consumed for many months. What was a fair price for it? In endeavouring to decide this point we had to consider, first of all, what was the equivalent of the world's parity for the whole period of the year 1921? We know what it is to-day, but no man is able to say what it will be in a month, and certainly no man is able to say what it will be in twelve months. If we were going to fix the price of the farmer's wheat twelve months ahead, it might be argued that the price of wheat might fall, and, that being so, the farmer should be compelled to take that risk and bear the loss. No doubt that view is one which will appeal to many. On the other hand, the farmers' representatives put very strongly the position from the stand-point of the farmer. It was urged that it was not fair to deny the farmers the opportunity to sell their wheat to-day when it could be sold at a high price, and then to tell them, "We will hold your wheat, prevent you getting it in the market of the world, and refrain from purchasing ourselves in the hope that the price will fall, and, when the market breaks, we will buy at the lower price." The question was considered very carefully. Although our experts were present, naturally they were not able to tell us what would be the price of wheat in twelve months' time, but they could, and did, tell us that sales were now being made freely at the world's parity as it is to-day, and

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they strongly urged that we should bear in mind that there was no reason to believe that the world's price would fall very much.

The advantages of a uniform price over the year are obvious. In the first place, it stabilizes the industry. It gives an assured value to over 30,000,000 bushels of wheat, so that those who are dealing with the farmers—the banks, storekeepers, machinery agents, and others—are able to say that the wheat which the farmer holds has a definite fixed value independent of any of the vagaries of the market, or of any of those circumstances that affect commodities withheld from immediate sale. In addition, a uniform price for the year, it was urged, would not only enable the farmer more easily to adjust his financial difficulties—and it is not to be forgotten that the farmers in some of the States have suffered from a very grievous drought—but would encourage him to go on growing wheat. This consideration very materially affected the Conference. It profoundly affected me. I believe there is no way by which the tendency of modern civilization to flock to the towns can be so effectively checked as by making it profitable to go on the land. I have been listening for many years to appeals by honorable members, and have said a great deal myself about the great need for land settlement, but I certainly do not believe that mere words will do much good. We must make life on the land worth while. The farmer ought not to be expected to meet all the difficulties which country life involves without some corresponding advantages. He ought not to be expected to take the risk not merely of the vagaries of the market, because every manufacturer takes that risk, but of a total failure of output. The latter is a risk which the manufacturer does not take. A man may make, say, 10,000 pairs of boots, and the prices may fall. The boots, however, are in existence, and may be sold for something. But the farmer may work hard and have nothing at all to show for his labour. He may put in just as much work on land which, owing to drought or some other untoward circumstance, yields only 3 bushels to the acre, or nothing at all, as is involved in producing a crop of 30 bushels to the acre. We all believe it to be in the highest degree

important that the primary industries should be encouraged, and no more effective means of encouraging people to remain on the land and of inducing others to go on it could be devised than that of stabilizing the industry and making it worth while to go on the land.

These reasons determined the Conference to reject the proposal to attempt to adjust, from month to month, the price of wheat for local consumption in favour of a proposition to fix it for the whole year. That principle having been affirmed, it was considered that the Conference was not the proper body to determine what the price should be. The question was therefore remitted to the Wheat Board to determine what was, all things being considered, a fair commutation of the world's parity over a period of the next twelve months. The Wheat Board considered the question, and made a recommendation to the Conference, which the Conference, in its turn, unanimously adopted. The price the Wheat Board recommended was 9s. per bushel. It considered that 9s., although less than the world's parity to-day, was a fair commutation of the expectancy of prices for the whole year. The Conference, in coming to the decision to accept the recommendation of the Wheat Board, had before it several facts. It knew what was the world's parity to-day, and, what was more, having sold forward, it was able to say what overseas buyers were paying for May, June, July, August, September, October, and December, 1921, delivery. It was unable, of course, to say what the then price would be, but it was able to say that there were buyers who were prepared to purchase wheat to-day, to be delivered in December, 1921, and to pay substantially more than 9s. per bushel for it. In the circumstances, therefore, it felt that it was fully justified in agreeing to that price.

MR. GREGORY.—Is the 9s. the net price?

MR. HUGHES.—Nine shillings is the seaport basis. I am satisfied that this arrangement will be regarded as fair by all sections of the community. We have to hold the scales fairly between the producer and consumer, and must remember—here I admit I am speaking for myself—that even if we are giving to the farmer something which may be more than the world's parity in December, 1921, we have to consider what might be

the effect of giving a price that would discourage the man on the land. That is a factor which influenced me very much. We cannot peer into the future and say what the price of wheat will be in August or October, 1921, but we can say that the figure agreed upon for local consumption is less than the price at which we are selling wheat for delivery abroad in December, 1921. Therefore, the world considers, as far as it is a buyer, that the price we have fixed is a fair one. It would be inadvisable to tell the House the price we are getting for wheat we are selling overseas—we are endeavouring to get the best we possibly can for it—but the position is that the consumers of Australia, who, during the war, got their bread cheaper than the people of any other country in the world, will still continue to do so, and if the millers and bakers are content with reasonable profits the 2lb. loaf can be sold over the counter at 6d.

Wages in this country have been gradually readjusting themselves to the basis of the 6d. loaf—in New South Wales, I think, the standard is calculated on the loaf at 5½d. or 6d.—but I maintain it is better to know where we are for twelve months, and readjust things on that basis, than to endeavour month after month to grope after a world's parity for wheat which might be subject to violent fluctuations, and over the whole year would certainly not put the consumer in a better position. On the other hand, it would disorganize our finances, and put the producer at a great disadvantage at a time when he needs immediate financial help. The price of wheat to be retained for local consumption is fixed at 9s. on seaport basis, with fortnightly deliveries, and payment in advance by fortnightly settlements.

The Commonwealth takes the full responsibility in regard to the arrangements for the payment of the guarantee; but the States, although they are not directly responsible, have all been consulted, and have approved of the arrangement made. And as I have said, the Wheat Board has unanimously endorsed it. The matter of fixing the price for local consumption is primarily one for the wheat-producing States of New South Wales, Victoria, South Australia, and Western

Australia; but the other States—Queensland and Tasmania—which have no exportable surplus, have accepted the fixed price as a fair and reasonable one, and are prepared to adopt it. I understand that Queensland proposes to establish a local Pool in relation to its own wheat for local purposes only. Tasmania, of course, looks to the mainland for much of its wheat; but the State Government have expressed their willingness to fix this price. Western Australia, which was represented at the Conference by the Minister for Agriculture, has not yet assented to the arrangement for fixing the price of wheat for local consumption; but the matter has been referred to the Premier of the State, from whom an early reply is expected.

The honorable member for Wimmera (Mr. Stewart) asks when the cash will be paid to the farmers. Clause 1 of the agreement says that for wheat delivered at railway siding an immediate cash payment of 2s. 6d. per bushel will be made. I suppose there will be two certificates handed to the farmer—one for 2s. 6d., which will be immediately negotiable in any bank; and the other payable at ninety days, which can be discounted in the ordinary way. That is to say, half the cash will be available at any bank immediately, and the other half will be covered by a certificate, which the bank will not take the responsibility of engaging to discount immediately, but which, nevertheless, may be discounted, if necessary, in the usual way. I think that we may be congratulated on this solution of a very tangled and important question.

Mr. CHANTER.—I ask the Prime Minister if he will arrange to have made available to honorable members, especially to honorable members representing country electorates, 5,000 or 6,000 proof copies of the *Hansard* report of his statement, for transmission to the farmers' associations throughout Australia, so that the farmers may know exactly what the right honorable gentleman has said?

Mr. HUGHES.—I shall do that.

Mr. TUDOR.—I wish, by leave, to make a statement.

Mr. HECTOR LAMOND.—Is it intended to allow other honorable members the

same privilege? If not, I shall object to leave being granted to the Leader of the Opposition.

Mr. HUGHES.—To enable a general discussion to take place, I move, by leave,—

That the following resolutions be printed:—
“Guaranteed that in respect of wheat delivered at railway sidings an immediate cash payment of 2s. 6d. per bushel be made, and that a certificate representing 2s. 6d. per bushel, and payable on 30th April, 1921, be issued.”

“That the price of wheat to be retained for local consumption be such price as will be a fair commutation of the expectancy of the overseas markets over the year 1921 on a basis of fortnightly deliveries, with payment in advance by fortnightly settlements.”

“That the fair commutation of the equivalent of the overseas parity is 9s. per bushel, seaport basis.”

Mr. TUDOR (Yarra) [3.53].—I am glad that the Prime Minister has adopted a course which will give every honorable member an opportunity of speaking.

Sir ROBERT BEST.—Provided that he can get a call before 5 o'clock.

Mr. TUDOR.—I shall not occupy more than five minutes, though I would have liked to speak much longer had I had an opportunity of considering more closely the details of these arrangements. It may be all very well for one section of the community to have got everything that it desires, but it must not be forgotten that the consumers of bread—that is, the community at large—are to be called upon to pay the cost. I do not object to the farmer, or to any one else, getting a fair price for his produce; but I object to him, or the manufacturer, or any other person, taking advantage of the necessities of the community to exploit it by charging the highest possible price. If it is right that the farmer shall get export parity for what he sells locally, why should not the producer of coal and the producer of sugar be similarly treated? It was stated the other day that Australia would have to pay another £25,000,000 a year for its coal supply if the coal-owners were to get export parity for the 10,000,000 tons of coal consumed in the Commonwealth. That, however, is a subject on which the honorable member for Newcastle (Mr. Watkins) and the honorable member for Hunter (Mr. Charlton) are better able to speak than I am. The farmer is to get 2s. 6d. per

bushel for his wheat, instead of 5s. per bushel, which, to my way of thinking, was definitely promised to him. He will also receive a certificate for 2s. 6d.; but this will not, as the Prime Minister has said, be payable in ninety days, because there are 180 days between the present date and the 30th April.

Mr. HUGHES.—But no wheat is yet available.

Mr. TUDOR.—Wheat will be harvested before the end of January.

Mr. PARKER MOLONEY.—Before the end of December.

Mr. LAVELLE.—They are delivering wheat now in South Australia.

Mr. TUDOR. — The people of Australia will be surprised to learn that the export parity has been fixed twelve months ahead, and not, as they were led to expect it would be, from month to month. When the sugar agreement was made, it was admitted that we were getting sugar more cheaply than we should get it at that particular time; but it was explained that, in all probability, the price would fall before the end of the three years' agreement. It is possible that the export parity of wheat may fall within the next twelve months. But under the agreement our people will have to pay 6d. over the counter for the 2-lb. loaf not only this year, but during the whole of next year. It is known that in Victoria the millers and bakers have combined, and will continue to charge the public just what they please, as they have done in the past. Even when the Commonwealth was controlling prices it could not control the actions of the Millers Combine in Victoria. It took one miller only to Court because he refused to supply flour, but dozens of such cases were known to the authorities. The millers will continue to please themselves as to whom they will supply with flour, and the bakers as to whom they will supply with bread. In Victoria a customer is not allowed to change his baker without the consent of the Master Bakers Association. Yet it is wondered at that the people complain.

Mr. HECTOR LAMOND.—What the honorable member is speaking of is an instance of successful unionism.

Mr. TUDOR.—It is owing to the existence in Victoria of an anti-Labour Government. That Government got a bit of

a set-back at the recent election, but, unfortunately, not a sufficient one to put it out of office.

Mr. McWILLIAMS.—Is it not the Master Bakers Union that does what you complain of?

Mr. TUDOR.—The master bakers, acting with the millers. They will continue to please themselves as to what they will charge.

Mr. CONSIDINE.—And what you are now complaining about is the Farmers Union.

Mr. TUDOR.—The farmers have as much right to form a union as have the honorable member and I to join industrial unions.

Mr. CONSIDINE.—But honorable gentlemen opposite complain of unionism.

Mr. TUDOR.—I am objecting to the exploitation of the people by the master bakers and millers in the manner that has been practised in the past. The Prime Minister has told us that the Commonwealth has had nothing to do with the fixing of prices.

Mr. HUGHES.—I said that the Wheat Board had nothing to do with the fixing of the price of wheat for local consumption; that they dealt only with export wheat.

Mr. TUDOR.—But the Wheat Board recommended 9s. per bushel, and to that the Conference agreed. The honorable member said that it was the State authorities that fixed the price.

Mr. HUGHES.—I was a member of the Conference, and in the chair.

Mr. TUDOR.—I am trying to look at this matter from the consumers' point of view. There was not a single representative of the consumers on the Wheat Board or on the Conference.

Mr. GREGORY.—What about Mr. Theodore?

Mr. TUDOR.—There were more anti-Labour Premiers than Labour Premiers at the Conference.

Mr. HUGHES.—They all voted for the resolution fixing the price for local consumption, and Mr. Dunn moved it.

Mr. TUDOR.—Because Mr. Dunn is a Labour man, he is to carry the blame!

Mr. HUGHES.—I do not say that he has any blame to carry. What has it to do with the question that he is a Labour man? Mr. Theodore also voted for the resolution. What we had to do was to deal with facts.

Mr. TUDOR.—The consumers, as consumers, were not represented at the Conference, and I protest again, as I did last week, against resolutions affecting the community at large being agreed to by bodies on which the public is not represented. Last week the Government declared that they would not have a representative of Labour on the Board of Trade, to which new powers were to be given.

Mr. PROWSE.—Let the public buy in a cheaper market if they can.

Mr. TUDOR.—Some persons are saying, "Let the farmers pay for their irrigation schemes, instead of putting the cost on the whole community," and "Let the farmers pay for the carriage of manures at the same rates as other persons pay for transport." I am not here to set town against country, but I ask for a fair deal for every section of the community.

I hope that speculators, such as those who reaped a rich harvest by dealing in wheat scrip, will be prevented from dealing in the proposed certificates, though it will be difficult to prevent such dealing. We tried to prevent the negotiation of the war gratuities, but every one knows that we have not been able to prevent it. Unless the certificates are made negotiable by the banks, or the farmers are protected in some way through the banks, the poor man will suffer, though the wealthy, who need no looking after, will do well.

Mr. HECTOR LAMOND (Illawarra) [42].—I think that it will come as a surprise to the majority of the people of Australia to learn that the world's parity for wheat is equivalent to 9s. per bushel for local consumption. I listened, as did honorable members generally, with interest to the statement of the Prime Minister. If we accept the Wheat Board as expert in forecasting the wheat market, the right honorable gentleman has made out a case that cannot readily be answered. But I do not think that sufficient attention has been given to the necessary effect of this determination on the price of bread. To raise the price of bread throughout Australia by, in some cases, 1d. per loaf is a very serious thing to do at the present time. It makes bread dear to those least able to buy it. I agree with the Prime Minister that, until

country life is as attractive as city life, not only to the farmer, but also to those who work on the farm, people will come from the country to the cities. This can be prevented only by making rural industry profitable, both to the man who invests his capital in it and to the man who puts his labour into it. But, if to do it, the community must pay more for wheat than the world's parity, the burden should not be borne by all consumers of bread, as such, but, like other financial burdens, should be distributed with some regard to the ability of the taxpayer to meet his obligations. It may be, as the Prime Minister anticipates, that the price of 9s. per bushel will give the farmer no extra payment for wheat locally consumed; that the future alone will determine. But, should the event show that the people are being asked to pay for wheat consumed locally more than the world's parity, it seems to me the Government should consider the question whether it ought not to give some relief to those who, by reason of the increased price of bread, resulting from this determination, are made to bear the whole burden.

Mr. FENTON.—Did the conference consider what would be the effect on the price of bread?

Mr. HECTOR LAMOND.—It was not the business of the conference to consider that—it is the business of the Government.

Mr. FENTON.—It is the business of the Prime Minister.

Mr. HECTOR LAMOND.—In Britain, during the war, it was necessary to subsidize bread, in order to provide it for the people at a reasonable rate; and if we are going to artificially increase the return to this agricultural industry—

Mr. GREGORY.—Are we doing that?

Mr. HECTOR LAMOND.—That is a matter which the future will determine. I have the greatest apprehension as to whether, after we give this price—

Mr. HUGHES.—The people will even then get cheaper bread than if we had to meet the world's parity.

Mr. HECTOR LAMOND.—That may be so; but even if the January price were much higher than it is to-day, it would be utterly impossible for the whole of the Australian wheat to be sold at that price;

it would be impossible to realize all our wheat at the one time.

Mr. HUGHES.—We have sold some wheat ten months ahead; why not sell the other?

Mr. HECTOR LAMOND. — That might be possible; if we are selling ten months ahead.

Mr. HUGHES.—We are doing so now.

Mr. HECTOR LAMOND.—I do not think that the Commonwealth is able to sell 100,000,000 bushels of wheat at that rate.

Mr. HUGHES.—I do not say that.

Mr. HECTOR LAMOND.—That is what we shall have to sell. The fact that we can sell 10,000 bushels of wheat at a high price to-day is no proof that we can sell the whole of the Australian harvest at the same price to-day, to-morrow, or some other time. And what guarantee have we that, if the world's parity rises, as some people still seem to think it may, to a price that will leave us 1s. or 2s. behind the world's price, the same political pressure will not be brought to bear and the local price disturbed when the contract is half way through? What guarantee is there of any permanent agreement?

Mr. HUGHES.—We fixed the price at 7s. 8d., and three months ago wheat was at 15s. The people were getting their wheat at half price, and the farmers did not kick up a row about that.

Mr. HECTOR LAMOND.—I think we heard a good deal about it from the farmers. However, if the local price fixed is going to increase the price to the extent that it may, the Government ought to consider whether the taxpayers as a whole should not bear part of the burden, as was the case in England, especially if one of the objects of the high price is to encourage a local industry.

Mr. GREGORY (Dampier) [4.10].—I listened with great attention to the statement of the Prime Minister (Mr. Hughes), particularly in view of the speech the right honorable gentleman made last week. I can say that I am quite satisfied that the Prime Minister has done the best he possibly could for the purpose of giving effect to the promise he made.

Mr. RYAN.—Does the honorable gentleman say that he is "more than satisfied"?

Mr. GREGORY.—I am quite satisfied.

Mr. RYAN.—I thought the honorable member said that he was "more than satisfied."

Mr. GREGORY.—I had anticipated that there might be some difficulty in regard to the request I made last week, when I asked that the certificates issued should be partly in the nature of a bond. The Prime Minister has told us to-day that the certificates will be payable on the 30th April, and are in the nature of a bond—they represent an agreement that on the 30th April the Commonwealth Government will pay the balance of this money. When we realize what a bumper harvest we expect, and the enormous amount of money that would be required to pay 5s. per bushel in cash, every thinking member must admit that it would have been an impossible undertaking for the Government. I am satisfied that the arrangement made will meet with the approval of the great majority of the wheat producers; and as to that portion of the agreement I am quite satisfied. In reference to the world's parity, I would like to ask the Leader of the Opposition (Mr. Tudor) and the honorable member for Illawarra (Mr. Hector Lamond) whether, if an application were made to the Wheat Board for a contract for the sale of wheat at the present world's parity, they would not ask a guarantee from the Government that sufficient wheat would be retained to make up any shortage we might have here. Would there not be an application made to the Government to at once restrict export so as to cover any local shortage? Under such circumstances, would they not declare it to be the duty of the Government to see that sufficient wheat was retained to feed the Australian people?

Mr. HECTOR LAMOND.—Does that not operate now?

Mr. GREGORY.—It must operate under any circumstances, but the honorable member must see that if the Government made a contract to sell 100,000,000 bushels of wheat at, say, 7s., there must be a shortage here, and that, under the circumstances, they would declare it to be the duty of the Government not to sell more than we can afford to export. That would place the producer in an unfair position.

Mr. RYAN.—What does the honorable member mean by "the world's parity"?

Mr. GREGORY.—I mean the export parity—the cash export parity fixed by the Central Board. That Board consists of a number of gentlemen specially interested in the export and wheat handling business; they have their agents, and they understand all the ramifications of the market, and know the prevailing prices abroad. Under the circumstances, it would be easy for that Board to say what is the export parity.

Mr. LAZZARINI.—On what basis do they make their calculation?

Mr. GREGORY.—I was not at their meetings, but apparently—

Mr. HUGHES.—The price fixed is substantially under the price at which we could sell wheat now at six or eight months ahead.

Mr. GREGORY.—That may be, but if the Premier of the Labour Administration of New South Wales and the Premier of the Labour Administration of Queensland are satisfied, I think we ought to be satisfied with the arrangements made. If it be assumed that the price of bread would be too high in Australia, then it is the duty of all the people to bear their proportion of the burden. As I said last week, I cannot see why the doctor, the lawyer, or the agent in the city who produces nothing in the way of food should get his cheap loaf and pay nothing towards providing a cheaper loaf for his poorer fellow-citizens. It would be most unfair to ask the farmer to provide the cheaper loaf; it is the duty of the State Governments, if the price of bread be considered too high, to buy the necessary wheat, and let the general community pay the difference by way of taxation.

So far as fixing the parity over a whole year is concerned, I think the Board has taken the wisest course. It is quite possible an application may be made for a large sale before the year ends; and how could the Board deal with a large order for many millions of bushels if they were afraid there might be a shortage here? It would be their duty to the producers to accept the highest price offered; and, therefore, if it be desired to provide the people with a cheaper loaf the fairest and most feasible scheme is to ask the general community to contribute to the cost.

Mr. PARKER MOLONEY (Hume) [4.16].—The honorable member for Dampier (Mr. Gregory) has told us that he is not quite satisfied, but very nearly satisfied, with the arrangement made to pay half in cash and half in certificates for this season's wheat.

Mr. GREGORY.—I was asked if I was "more than satisfied," and I replied that I was satisfied.

Mr. PARKER MOLONEY.—At all events, the arrangement does not, as I understand it, give effect to the resolution that was carried by this House. That resolution affirmed the desirability of provision being made for part payment in certificates and part in cash.

Mr. GREGORY.—We have got that.

Mr. PARKER MOLONEY.—And the resolution went on to say that for home consumption the price should be fixed on the world's parity. That latter part of the resolution has not been given effect to. We are told that the price is to be a fixed one, and this, the Prime Minister says, is under the world's parity.

Mr. GREGORY.—At the present moment.

Mr. PARKER MOLONEY.—At the present moment. Whatever may be the merits of the decision of the Conference between the Prime Minister and the Wheat Board it does not give effect to the resolution that was carried in this House, and, consequently, I can quite understand that the honorable member for Dampier is not quite satisfied.

Mr. GREGORY.—I object to the honorable member putting words into my mouth.

Mr. PARKER MOLONEY.—The amendment which the honorable member for Dampier had some difficulty in framing in order to get himself out of a difficulty—an amendment which I venture to say the Prime Minister (Mr. Hughes) helped him to frame—has not been given effect to as a result of this Conference. However, I am not much concerned about that amendment which the honorable member for Dampier (Mr. Gregory) launched in order to defeat the motion moved from this side of the House in favour of a five-shilling cash payment at the railway siding. I deeply regret that it should go forth to the great mass of the wheat-growers that the definite promise made at the last election has been

broken. The honorable member for Dampier says that the primary producers will be satisfied with the arrangement made to pay only 2s. 6d. on delivery, but from scores of resolutions sent to me, I believe that the keenest regret and disappointment will be the result, particularly in New South Wales—where the wheat-growers are just recovering from a two years' drought. It is all very fine for the Prime Minister to say that the growers will be able to use these certificates in paying for their agricultural implements, and so forth. That may be so. It may serve the interests of the wealthy primary producer, but it will be of very little good to the man in a small way who is facing big debts. It will be of no use for him to go to those business people to whom he owes big bills. The only thing that will save a number of these people is cash. They are to get only 2s. 6d. per bushel, which will not save a number of them. I have letters which show that to be a fact. I quoted one to the House on Friday, showing that certain people in New South Wales, if they do not get a cash payment of 5s. at the railway siding will be unable to meet their obligations.

Mr. HILL.—What is the difference between 5s. and the proposed method of payment; that is, 2s. 6d. cash, and the rest in certificates?

Mr. PARKER MOLONEY.—The difference is 100 per cent.

Mr. HILL.—The difference is 1½d. per bushel at the most. The 2s. 6d. cash, together with his certificate at ninety days' sight, is equivalent to 4s. 10½d.

Mr. PARKER MOLONEY.—The honorable member can put that construction on it, but he will admit that until the 30th April a man cannot take his certificate to the bank and get cash for it.

Mr. HILL.—He can take it to the bank on the 1st February, and have it discounted, and the discount will cost him only 1½d. per bushel.

Mr. PARKER MOLONEY.—That is absurd in view of the statement which the honorable member himself has made that there is not enough money in the country to pay the full 5s. I have no doubt that it will be a very excellent arrangement for the banks. As well as we can estimate now, 6 per cent. on over

£20,000,000 for about six months will mean £600,000 or £800,000 in interest to the banking institutions of Australia, so that it is an excellent deal for them, but it will be of very little use to the man who wants cash at the railway siding. We are told that he has a chance of getting 2s. 6d. at the railway siding, and the Prime Minister has said that the certificate means that he will have to wait only ninety days for the balance. I know places where they are going to begin harvesting in a fortnight's time, so that it does not mean ninety days at all. It is more like double that number of days; so that, whichever way we look at it, it is not an arrangement that will be satisfactory to the great bulk of those primary producers who, to use a colloquialism, are "up against it." That is so particularly in the State of New South Wales.

Mr. HILL.—Advances during the last three or four years have only been made towards the latter end of January or the beginning of February, so that this is no different from any other year.

Mr. PARKER MOLONEY.—The honorable member is in a little bit of a difficulty in regard to this matter. He says that this year is no different from any other. Last year the growers got their 5s., did they not?

Mr. HILL.—When?

Mr. PARKER MOLONEY.—They got it. It was a payment of the full 5s., and when the promise was made by the Prime Minister the great bulk of them considered that it was to be interpreted in the same terms as previously, and that they would be in the same position as they were in last year.

Mr. HILL.—Five shillings last year is equivalent to a first payment of 1s. 3d. per bushel on this season's crop.

Mr. PARKER MOLONEY.—The honorable member works it out that way. In fact, he has worked it out in several ways since he allowed himself to agree to the present arrangement. He knows that at Tungamah, which, if not in his own electorate, is very near it, a representative meeting of farmers was held the other day, and condemned him for his recent utterance on this question.

Mr. HILL.—I will get at the bottom of that farmers' meeting in a day or two.

Mr. PARKER MOLONEY.—The honorable member will be very lucky if they do not turn the tables on him, but I will leave him to deal with his own farmers in his own way. The fact remains that that meeting of farmers at Tungamah indorsed every word that I am saying to-day. I have had several letters to the same effect, even since the House passed the resolution the other day. I have one which reached me only to-day, concerning a meeting in the Corowa district. This was said to be the largest meeting of primary producers ever held in the district—it is not very far from the electorate of the honorable member for Echuca—and it carried unanimously a resolution that the farmers understood that the first payment would be one of 5s. at railway sidings. That is what they interpreted the Prime Minister's pledge to mean. They said they wanted the full 5s. on delivery at railway siding. This is only one of the many large meetings that have been held throughout New South Wales. I am not only putting my own interpretation on the matter. I am putting that interpretation on it, because nine out of every ten letters that have reached me from New South Wales bearing on this question show that resolutions were carried by the farmers in favour of a 5s. payment. I am concerned only with that aspect of it. People may twist and turn it in any way they like. I am not concerned about what was done the other day, but I am concerned with the fact that we are now definitely assured that effect is not to be given to the promise made by the Prime Minister at the last election. We are told that the farmers are to be paid only 2s. 6d., and to receive for the rest a certificate which will be negotiable on the 30th April next year. That arrangement is no good to the man who is in dire distress to-day.

Mr. RYAN.—What is there new in the Prime Minister breaking his pledge?

Mr. PARKER MOLONEY.—There is nothing new in the Prime Minister breaking a pledge, and if it were not for the seriousness of it we could overlook this breach of a pledge just as we have had to overlook many more. I deeply regret that the matter has been decided in a way which is foreign to the definite pledge made by the Prime Minister at

the last election. When the Government say that that pledge did not mean a cash payment of 5s. at railway sidings, my answer is that there was no reason why the man on the land should put a different construction on the pledge made at the last election from that which he put on the pledge made previously, when he received his full 5s. for the last year's harvest. He had no reason to interpret it in any other way. Notwithstanding what the honorable member for Dampier (Mr. Gregory) and other members of the Country party say, the primary producers will be disappointed with the present arrangement. If there is any satisfaction coming to any section of the primary producers over this arrangement, I believe they have to thank, not the meeting between the Prime Minister and the Wheat Board that was held last week, but the Labour party for submitting a motion to the House to compel the 5s. payment, because up to then nothing whatever was being done. No mention was made of the matter until the Labour party brought it up in this House. Although the primary producers have not got what they want, still, if they have anything at all to be thankful for, it is the fact that we submitted a motion to compel the Government to pay 5s. in cash at the railway sidings, and only for Country party members voting against that motion the farmers would have got their 5s. I believe it was our action that stirred things up. No one else in the House said anything about it, and no one else seemed to care. I believe it was our party that stirred up the Prime Minister, and our honorable friends of the so-called Country party, to take an interest in the question. From that aspect of the question alone am I thankful that any little satisfaction which any section of the primary producers will get out of the arrangement is the result of what the Labour party did to make the Prime Minister take some kind of action, when he appeared to have practically gone to sleep on the question. I take it as final that the Wheat Pool and our honorable friends in the Ministerial corner have all acquiesced in this little arrangement, which is eminently suitable to the private banking institutions. The other side have all acquiesced, and are a happy family, and the only people who will not be happy are the unfortu-

nate farmers who were looking for the 5s. in cash, but apparently are not to receive it; and even though the numbers are against me, I offer my emphatic protest against this gross breach of faith.

Mr. CORSER (Wide Bay) [4.31].—While I congratulate the wheat-growers, more particularly of the four States which produce a large quantity of wheat, I should like the House to consider what is to be done for the thousands of farmers in Queensland who are producing maize. Some arrangement ought to be made to guarantee them a minimum price for their product. There will be difficulty in securing space on oversea vessels, since, I understand, preference will be given to wheat and wool. They have suffered for the last two or two and a half years from a drought which has been more severe than they or the settlers in any other part of Australia have ever encountered. They grow an enormous quantity of maize, but no action whatever seems to be taken to safeguard their interests in the same way as the wheat interests are looked after. All primary producers, whether they grow wheat, maize, or sugar, should be treated exactly alike. The Leader of the Opposition (Mr. Tudor) made some remark about the world's parity for sugar, but sugar is not a parallel case. Unfortunately, the Queensland Government commandeered the Queensland sugar crop for three seasons, and made an arrangement to sell it to the Commonwealth Government without this House having a say in the price until the whole deal was finalized. I think we are forgetting our obligations to the primary producers throughout the whole of the States, because those in certain States appear to possess larger and more influential representation. In common justice, something should be done to relieve the maize farmers of Queensland, who have had as bad a time, if not a worse time, than the wheat farmers have had during the past two and a-half years.

Mr. RYAN.—What price does the honorable member suggest?

Mr. CORSER.—That is a matter to be considered, but something should be done to give the Queensland maize growers the benefit of a fixed minimum price for their commodity.

Mr. CUNNINGHAM (Gwydir) [4.34].—I listened with a good deal of interest to the Prime Minister's statement this afternoon, and find that he has kept half

his promise, which is as much as anybody who knows him could expect him to do. That is my opinion, and I am giving it as such. Doubts have been thrown on the assertions made by members of this party, that the farmers of Australia understood that the first payment of 5s. would be in cash. Day by day we have received communications from the Farmers and Settlers Associations and Primary Producers Unions, which are the official associations of the primary producers, showing that they thought and believed, although of course that belief will now be dispelled, that they were to be paid the 5s. in cash. I intend to place upon the records of this Parliament the opinions of the farmers throughout the length and breadth of Australia, from whom resolutions to that effect have come. The Curlewis Branch of the Farmers and Settlers Association has asked me to place before the Prime Minister the following resolution, which was carried at a meeting recently held by it:—

That this meeting of farmers, resident in the Curlewis District of New South Wales, hereby resolve—

1. That for the past five years the wheat-growing industry has suffered grievous hardships and pecuniary loss.
2. The farmers of the Commonwealth were encouraged by the specific promise made by the Prime Minister of Australia, at Bendigo, on the 20th October, 1920, when Mr. Hughes said, "The Federal Government would guarantee wheat-growers to the amount of 5s. per bushel for wheat delivered at railway stations for years 1919-20 and 1920-21."
3. This promise was honoured for the deliveries of last season.
4. The yield in New South Wales for 1919-20 averaged only 3 bushels per acre, and the financial resources of wheat-growers were strained to breaking point.
5. Largely owing to the promise made by the Prime Minister, that the guarantee would cover the 1920-21 crop, the wheat-farmers of New South Wales put forth every effort and extended their acreage.
6. There is every prospect now of a good return for their labour, and serious alarm is occasioned by the attitude of the Prime Minister in regard to the guarantee.
7. This meeting calls upon the Prime Minister to redeem his promise and have the necessary payment made in the same manner as obtained last season.

A similar resolution has been passed by the Emerald Hill Branch of the Association, as well as by many others, which I have not by me just now.

Whatever may be the view of the so-called Country party with regard to the proposal to issue certificates, I may say at once that it does not satisfy the wheat-growers. The Country party in this House is hand in glove with the Prime Minister (Mr. Hughes) and the financial institutions. Those who back up the Government's proposal must have been "nobbled" by the banks. Whether they know it or not, they are doing the work of the banks, who will make about £500,000 out of the discounting of these certificates. It is unreasonable to think that the small farmers will be able to adjust their financial difficulties if they have to go to the banking institutions with these certificates. It is destroying confidence in the resources of the Commonwealth to say that the Commonwealth is incapable of finding the money necessary to enable a cash payment of 5s. per bushel to be made in respect of all wheat delivered at railway sidings. It has been repeatedly pointed out by honorable members of the Labour party that during the war period the expenditure of the Commonwealth amounted to nearly £100,000,000 a year, and that, if the war had been waged for another twelve months, the Government would have continued to provide for that expenditure. No one will suggest that Australia would have pulled out of the war had it gone on for another twelve months, and that being so, those who assert that the Commonwealth cannot find the money to enable a cash payment of 5s. per bushel to be made are simply clouding the issue. War contractors and every one else who had dealings with the Government during the war period could be paid in cash. The expenditure involved in the Naval and Military Estimates can be paid in cash; but when the Government are asked, in accordance with the Prime Minister's promise, to finance the primary producers—to stand by the men who make this Commonwealth possible—they reply they cannot find the money.

The Prime Minister, at the outset of this controversy, told us that he would

Mr. Cunningham.

consult the banks, and that he felt convinced that they would stand behind the Government. The inference to be drawn from his statement was that he considered that the banking institutions are paramount, and that he is but a pawn or a plaything in their hands. Instead of the Government being supreme, he seems to consider that the financial institutions are above the Government. If the banks were not prepared to do what was required of them in financing the primary producers, the Prime Minister should have come down with a proposal to extend the resources of the Commonwealth Bank, in order that the promise that he made might be fulfilled. This is the hardest blow that has ever been struck at the primary producers of Australia, and, despite the attempts that may be made to misrepresent the position, I hope the farmers of the Commonwealth will see to it that the Government are not allowed to remain in a position in which it can again hit them in the same way. The Prime Minister, and the Government as a whole, have once more broken their promise, and they have been supported in their breach of faith by members of the so-called Country party. It is surprising to hear the honorable member for Echuca (Mr. Hill), who is a member of the Australian Wheat Board, defending the attitude of the Government. He, the farmers' representative on that Board, is one of the first to stand up for the Government in this matter.

Mr. HILL.—He stands up for what he believes to be right.

Mr. CUNNINGHAM.—The honorable member is in the Prime Minister's "bag." The Prime Minister has got him "nobbled."

Mr. SPEAKER (Hon. Sir Elliot Johnson).—Order! I ask the honorable member to withdraw that remark and to refrain from indulging in personalities.

Mr. CUNNINGHAM.—Then I will withdraw the honorable member for Echuca from the Prime Minister's bag.

Mr. SPEAKER.—Order! The honorable member is aggravating his offence. I ask him to withdraw the remark unreservedly.

Mr. CUNNINGHAM.—I withdraw it, sir, but, as a small wheat-grower, I feel very strongly on this matter, believing

that I have been deceived by the Government. No member of the Country party or of the National party will be able to justify his defence of the Government in regard to this matter.

We find that, as usual, the financial institutions, through the instrumentality of the Government, are to reap a rich harvest at the expense of the men in the back country. We on this side of the House regret that the Country party, which has been returned to this Parliament to safeguard the interests of the primary producers—to force the hands of the Government—has been the first to stand behind them in their three-card trick so far as this matter is concerned.

Mr. POYNTON.—I ask whether that remark is in order?

Mr. SPEAKER.—The honorable member must not continue to disregard the rules of debate. He has just made another offensive allusion, which I ask him to withdraw.

Mr. CUNNINGHAM.—I withdraw it. It was a figure of speech, which reflected on the cards. In the deception that has been practised—

Mr. SPEAKER. — Order! While making every allowance for the fact that the honorable member may feel strongly on this matter, I must ask him to address the House without casting reflections on others. The standing order which calls for decorum in debate must be observed.

Mr. CUNNINGHAM.—I have no desire to violate the Standing Orders, but I feel that I have been deceived by the Prime Minister's guarantee of 5s. per bushel on all wheat delivered at railway sidings. The wheat-growers as a whole have been deceived in this matter. I trust that the primary producers throughout Australia will recognise that the Labour party have fought the Government on this question, that it has endeavoured to force their hands, and that it is only because of the stand made by members of the Labour party that they are to get what little the Ministry now propose to give them. But for our action I do not think the Prime Minister would have been prepared to make a cash payment of even 2s. 6d. per bushel. He would have simply issued a bond, which would probably have been redeemable only on the receipt of the Commonwealth's share of the indemnity

from Germany, of which we have heard so much and will see so little.

Mr. LAZZARINI (Werriwa) [4.45].—I do not intend to speak at length on this question, since I explained my attitude fully when it was last before the House. As a representative of one of the largest wheat-growing divisions in New South Wales here, I am profoundly disappointed with the arrangement which has been made under which a cash payment of only 2s. 6d. per bushel is to be made on delivery of wheat at railway sidings.

Mr. McWILLIAMS.—There is to be another 2s. 6d. per bushel in ninety days.

Mr. LAZZARINI.—As to that, we shall have something to say later on. The farmers of New South Wales are not very much concerned just now as to the payment of world's parity, since, as the result of the additional 2s. 6d. per bushel which the State Government has promised to give them, they have been guaranteed almost that amount. Their chief concern is that the first cash payment made shall be sufficiently large to tide them over their financial obligations, and to enable them to set about next season's work. The Prime Minister (Mr. Hughes) has stated that the farmers are to receive 2s. 6d. per bushel in cash, and that certificates for the balance will be issued. The argument used to-day is that we have not the money available to enable an initial cash payment of 5s. per bushel to be made. The Prime Minister, however, has naively told us that, although the Government cannot find the money to make an initial cash payment of 5s. per bushel, the banks, in all probability, will be able almost immediately to discount the certificates. The certificates, after all, are only credit instruments, and, that being so, why should it not be possible for the banks to create at once credit instruments in respect of the whole guarantee of 5s. per bushel?

Mr. McWILLIAMS. — What is Mr. Storey going to do?

Mr. LAZZARINI. — The honorable member and those who think with him should thank God that there is a State Labour Premier whom they can always drag into these discussions. Mr. Storey has nothing to do with this Parliament, but, as Premier of New South Wales, he has made a promise which I am convinced he will fulfil. I am reminded by the

honorable member for Calare (Mr. Lavelle) that, unlike that made by the Prime Minister, it was not an electioneering promise—that Mr. Storey and his party had safely negotiated the rapids of a general election, and were in power when he guaranteed the additional 2s. 6d. per bushel.

Mr. McWILLIAMS.—But he has a very shaky majority.

Mr. LAZZARINI.—And this Government would have a very shaky majority if the honorable member and his party were true to the pledges they gave the people at the last general election. We have been told that the certificates in respect of a payment of 2s. 6d. per bushel will be cashed almost immediately by the banking institutions. I must repeat the statement I made the other day that honorable members opposite, who profess to represent the primary producers, in going to the huge financial institutions, have appealed to the greatest financial enemy that the primary producers have. They met the representatives of these institutions in conference and allowed them the greater say in determining how the farmers shall be granted a credit—a credit which will be created by their own wheat. The plea that this credit cannot be at once granted to the extent of 5s. per bushel is so much camouflage. The very statement of the Prime Minister that cash to the extent of 2s. 6d. per bushel will be paid immediately, and that certificates will be issued for the balance—certificates which the banks will discount—is conclusive evidence of that. The banking institutions are to get a “cut” out of the farmers’ produce. When certificates are issued the banks will discount them at their own rate.

Mr. RYAN.—They will have their pound of flesh.

Mr. LAZZARINI.—The Government have not sufficient courage to attempt to dictate terms to the financial institutions of this country, and they never had. However, their action is being supported by the so-called Country party, and therefore I recognise that protests are useless. Although we are told that it is not possible to give the farmer the immediate use of the credit which his own wheat will create, we are assured that the banks will issue certificates against the balance of the guarantee of 5s. per bushel and will negotiate those certificates at a discount. This

is another instance of the Government backing up the wealthy financial institutions of this country by enabling them to exact a little more from our primary producers. I enter my protest against the agreement. It would be just as easy to grant the farmer a credit to the full extent of 5s. per bushel as it will be to pay him 2s. 6d. per bushel in cash and to issue a certificate for the balance, which the banks will be willing to discount almost immediately.

Mr. HILL (Echuca) [4.54].—I scarcely know how to breathe, because of the numerous bouquets which have been thrown at me by honorable members opposite. I wish I could believe that all that they have said this afternoon was sincere. As a member of the Wheat Board, I have been in close consultation with the Prime Minister, with the various members of that Board; with the State Premiers, and with the Ministers for Agriculture of the various States. The determinations which we have arrived at have been unanimous determinations. Mr. Storey and Mr. Dunn, whom I very much like, and indeed love, were members of the Board.

Mr. RYAN.—Did the honorable member say “love”?

Mr. HILL.—Yes. There are some individuals for whom one feels an instinctive liking, and Mr. Dunn is one of them. He is a member of the Wheat Board, and I appreciate the help which he gave to us. I wish that my honorable friends opposite were as fair as he is.

Mr. TUDOR.—I have always heard Labour men praised by honorable members opposite when they did not happen to be in Parliament. But when we are here we are always wrong.

Mr. HILL.—I listened very attentively to the lengthy statement of the Prime Minister, and I entirely agree with everything that he said.

Mr. PARKER MOLONEY.—That is just what we would expect the honorable member to do.

Mr. HILL.—It is just what honorable members opposite in their hearts did not expect me to do. They know that I do not always agree with the Prime Minister. But I did agree with him in the attitude which he took up in regard to the guarantee of 5s. per bushel. However, I have no desire to discuss that matter now, although it has been dragged in by honorable members opposite. When we reflect

that the arrangement which has been made is for a cash payment to our farmers of 2s. 6d. per bushel for their wheat, and for a further payment by the issue of certificates of approximately 2s. 4½d. per bushel, making a total payment upon the 1st May next of 4s. 10¾d. per bushel, it will be admitted that the Government have gone a long way towards redeeming their promise, even if that promise be interpreted to mean a first cash payment of 5s. per bushel. In my opinion, the payment of 4s. 10¾d. per bushel will enable the majority of our farmers in Western Australia, South Australia, and Victoria to pay their debts and to continue solvent. The New South Wales farmers have been promised an additional 2s. 6d. per bushel, so that, in all the circumstances, if they have not been well treated, they have been fairly treated. The whole object of the recent Conference was to deal as fairly as possible, not merely with the producer, but with the consumer.

Mr. RYAN.—May I ask a question? Who will get the other 1½d. per bushel?

Mr. HILL.—I presume the man who discounts the bill.

Mr. PARKER MOLONEY.—The banks, of course.

Mr. HILL.—Did the honorable member ever do anything for nothing?

Mr. PARKER MOLONEY.—If the banks can pay 4s. 10¾d. per bushel* for our wheat, why cannot they pay the full 5s. per bushel?

Mr. HILL.—I am perfectly satisfied that the great majority of our farmers in practically every State will be thoroughly satisfied with the arrangement which has been made.

Mr. LAVELLE.—I do not know of a single farmer who will be satisfied with it.

Mr. HILL.—Honorable members opposite have read letters, setting out the views of some farmers upon the guarantee of 5s. per bushel. But I have been the recipient of many letters in which my correspondents have maintained the opposite view, and in which they have congratulated me upon the attitude that I have taken up. The Prime Minister made a detailed statement this afternoon which was accurate in every particular. The Conference sat for five

or six days, during which time it carefully considered every phase of the situation, the endeavour of its members being to deal equitably between the producer upon the one side, and the consumer upon the other.

Debate interrupted under standing order 119.

NATIONALITY BILL.

In Committee (Consideration resumed from 29th October, vide page 6109):

Clause 7—

(5) In the case of a woman who was a British subject previously to her marriage to an alien and whose husband has died, or whose marriage has been dissolved, the requirements of this section as to residence shall not apply, and the Governor-General may, in any other special case, if he thinks fit, grant a certificate of naturalization, although the four years' residence or five years' service has not been within the last eight years before the application.

Upon which Mr. BRENNAN had moved by way of amendment—

That the words "In the case of a woman who was a British subject previously to her marriage to an alien, and whose husband has died, or whose marriage has been dissolved, the requirements of this section as to residence shall not apply, and" be left out.

Mr. BRENNAN (Batman) [5.2].—I think it would be more convenient if the issue raised in my proposal were discussed at a later stage, and, therefore, I ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Mr. TUDOR (Yarra) [5.3].—A good deal of misconception appears to exist in regard to this clause. Quite a number of persons imagine that because honorable members upon this side of the chamber object to extending the residential qualification in the case of all aliens from two to five years, we are pleading for aliens from those countries with which we have recently been at war. Personally, I urge the claim upon behalf of all aliens.

Mr. POYNTON.—A five years' residential qualification is imposed by the law of the United States of America.

Mr. TUDOR.—No. I have worked alongside aliens who were naturalized in

the United States of America, although they have been resident in that country for only six months.

Mr. LAIRD SMITH.—How many years ago?

Mr. TUDOR.—It was in 1892. These men treated the taking out of naturalization papers as a joke.

Mr. POYNTON.—I am assured that the period of residence required there to-day is five years.

Mr. TUDOR.—I am satisfied that it is not. While I do not undervalue the privileges of citizenship of any country, we ought not to make it more difficult for aliens to become naturalized here. Under this Bill the very men who during the late war were termed by honorable members opposite “our gallant Allies”—I refer to Frenchmen, Italians, Belgians, and Americans—will be required to reside within the Commonwealth for five years before they can become naturalized. We are thus raising against them a greater barrier than existed prior to the war. This has nothing at all to do with the Germans. Those who must now wait for five years before they can be naturalized include citizens of countries whose soldiers fought side by side with ours in the Great War.

Mr. MAXWELL.—The United States of America cannot complain of this proposed piece of legislation.

Mr. TUDOR.—Does the honorable member think it wise to follow a bad example? We have heard a lot of talk about our gallant Allies, and how they stood shoulder to shoulder with us; but what are we doing to them now?

Mr. WIENHOLT.—The Japanese were also our Allies.

Mr. TUDOR.—They are dealt with under a separate Statute, and if there were any proposition to modify our laws in respect of the Japanese I would oppose it.

Question—That the clause stand as printed—put. The Committee divided.

Ayes 36

Noes 15

Majority 21

AYES.

Bamford, F. W.	Lamond, Hector
Bell, G. J.	Lister, J. H.
Blundell, R. P.	Mackay, G. H.
Bruce, S. M.	Marks, W. M.
Cameron, D. C.	Marr, C. W. C.
Chanter, J. M.	Maxwell, G. A.
Cook, Sir Joseph	McWilliams, W. J.
Cook, Robert	Poynton, A.
Corser, E. B. C.	Prowse, J. H.
Fleming, W. M.	Rodgers, A. S.
Gibson, W. G.	Ryrie, Sir Granville
Greene, W. M.	Smith, Laird
Gregory, H.	Stewart, P. G.
Groom, L. E.	Wienholt, A.
Higgs, W. G.	Wise, G. H.
Hill, W. C.	
Hughes, W. M.	
Jackson, D. S.	
Jowett, E.	

Tellers:

Burchell, R. J.
Story, W. H.

NOES.

Brennan, F.	McDonald, C.
Charlton, M.	Moloney, Parker
Considine, M. P.	Page, James
Cunningham, L. L.	Ryan, T. J.
Lavelle, T. J.	Tudor, F. G.
Lazzarini, H. P.	
Maloney, Dr.	
Mathews, J.	

Tellers:

Makin, N. J. O.
Watkins, D.

PAIRS.

Watt, W. A.	Anstey, F.
Bayley, J. G.	West, J. E.
Bowden, E. K.	Blakeley, A.
Chapman, Austin	Catts, J. H.
Foster, Richard	Riley, E.
Fowler, J. M.	Fenton, J. E.
Francis, F. H.	Gabb, J. M.
Hay, A.	Nicholls, S. R.
Livingston, J.	Mahony, W. G.
Page, Dr. Earle	McGrath, D. C.
Best, Sir Robert	Mahon, H.

Question so resolved in the affirmative.

Clause agreed to.

Clause 8 (Persons previously naturalized).

Mr. TUDOR (Yarra) [5.15].—I note that sub-clause 2 places the grant of a certificate, in the case of a person who has been previously naturalized and desires to receive a certificate under this Statute in the absolute discretion of the Governor-General, who may, without assigning any reasons, withhold the certificate; whereupon there can be no appeal from his decision. That scarcely appears to be fair. This clause does not involve the granting of a new certificate; but it is to be discretionary whether or not a person already naturalized shall be permitted to receive the wider certificate obtainable under this measure.

Mr. WIENHOLT (Moreton) [5.17].—The rights of persons naturalized under the Commonwealth Act have been already secured. But what is the exact position of those who have been naturalized under one of the State Acts, and to whom the Governor-General may not wish to give the further general certificate of naturalization under this measure? How do such people stand, particularly regarding the matter of revocation? Although they are naturalized now, what will be their status if they are refused naturalization in the terms of this clause?

Mr. POYNTON (Grey—Minister for Home and Territories) [5.18].—It is my intention, later, to move for the insertion of a new clause under the terms of which a State certificate may be amended. There is nothing in our laws at present to prevent a person who holds a State certificate from surrendering it, and applying to come under the Commonwealth Act. There have been complaints concerning inaccuracies in old State certificates. One such was brought under my notice recently by the honorable member for West Sydney (Mr. Ryan). According to the applicant, misstatements appeared in his certificate respecting age and birthplace. As the law stands at this moment, a State certificate cannot be amended; but my proposed new clause will provide for such circumstances. Any one now holding a State certificate can, and could for some time past, apply for a Commonwealth certificate.

Mr. WIENHOLT.—But if he were refused the Commonwealth certificate, where would he stand?

Mr. POYNTON.—He would still hold his State certificate. This clause will not affect any existing certificate.

Clause agreed to.

Clause 9 agreed to.

Clause 10 (Persons under disability).

Mr. BRENNAN (Batman) [5.20].—This clause deals with several matters, the first of which is that it enables a person making application for a certificate of naturalization to apply to have the name of minor children included in the certificate. The existing law provides that where minor children have

resided in this country with an alien they become entitled to a certificate of naturalization, and one would have thought that that was sufficient to secure to these infants all the rights of naturalized persons. Unfortunately, however, we have had the recent experience of war, and the status of, notably, Italians resident in this country, to remind us that, in their case, although there were infants who have since come to manhood, and who had qualified in that way for letters of naturalization, having made formal application for the papers, some of them were on the list provided by the Italian Consul as being Italian citizens and fit subjects for deportation under that monstrous policy pursued by the Government with the connivance of the Italian Consul during the war. The disastrous consequence followed that, whilst the Minister for Defence (Senator Pearce), acting upon, without question, the certificate of the Italian Consul, was permitting a system of deportation, the Minister for Home and Territories—the predecessor of the present Minister—was issuing certificates showing that these young men were naturalized persons; and they would have been deported but for the agitation raised by honorable members on this side of the chamber and others outside. In addition to that, it may be relevant to say that persons who, in their own right, had obtained certificates of naturalization, were seized and arrested and would have been deported had it not been for the sane resistance and protest of the Labour party. It may be convenient, and it is fair in principle, that a person now applying may nominate infant children to get the benefit of a certificate which will be a safeguard to these young people in after years.

There then follows in this clause that general reservation of discretion in the Minister, which is a principle running throughout the Bill, and which, I may say, I cannot altogether quarrel with, because we must have discretion resting somewhere in the granting of certificates of naturalization, and, after all, one can hardly imagine a place where it could better rest than with the Minister who is in turn responsible to Parliament.

In sub-clause 3 of this clause these words occur: "Except as provided by this

Act, a certificate of naturalization shall not be granted to any person under disability." In the definition, which we have already adopted, a married woman is a person under disability, and I propose at this stage, although we have not considered that part of the Bill which deals more fully with the status of married women, to move an amendment because I may be precluded later. I move—

That the following words be added to the clause:—"Provided that no woman born in Australia, and being a natural-born British subject, shall cease to be a British subject by reason merely of her marriage with an alien."

I desire to safeguard the interests of those Australian women, who, being born here, are, at the time of their birth and up to the time of their marriage, entitled to all the rights of British citizenship, and who are, as we perhaps prefer to say, Australian citizens. It seems to be taken for granted that the acceptance of a proposal of this kind would be a radical departure, not only from British legislation, but also from the practice obtaining, for the most part, throughout the civilized world. I endeavoured to show, on the motion for the second reading, that it would not be so. In America, at all events, though the law is somewhat obscure, they seem to jealously guard the status of their American-born women, and the marriage of an American girl to an alien does not destroy the American nationality of the woman. In several of the South American Republics the same law exists. In America it prevails so long as the woman continues to be domiciled in the United States of America. In Haiti and Venezuela it continues under all circumstances. In the emancipation of women we have advanced considerably in regard to their contractual and property rights, and generally we have, by legislation, as well as by our moral code, raised the status of women very considerably from the time when man, being the stronger animal, determined it by threats with a club or other lethal weapon. We have made considerable advance as regards property and contractual rights and their standing as citizens, and women are now entitled to the same protection as men. It is therefore curious, in the twentieth century, that a

Mr. Brennan.

girl born in this country, and never having been out of it, should find herself, by reason of marriage, declared to be of German, Austrian, or French nationality when foreign blood does not flow in her veins. We have now determined that it will take five years to qualify for nationality in this country. It may be, therefore, even with the very strongest desire and in the best of good faith on the part of a man to become naturalized, that he may find himself in the Commonwealth for, say, three years, but disqualified from marriage with an Australian girl because she feels that if she contracts marriage she will lose her citizen rights.

Mr. MAXWELL.—I do not think that will retard many, other things being equal.

Mr. BRENNAN.—It may not retard them from marrying, but it might lead to serious consequences in the event of war or the possibility of war. The honorable member for Fawkner (Mr. Maxwell) must know, as I do, that the position of an alien—whether an alien by the artificial process of marriage or by birth—in the disturbed time of war is an unenviable one. If our feeling is to be one of hostility and distrust towards those who come from other countries, we should see, at least, that the rights of people born in Australia are protected, and that they are not arbitrarily thrown into the ranks of the enemy by a foolish law of the character now existing. In these circumstances, women must realize that a man may never be granted a certificate of naturalization, as the Minister in his discretion may never be prepared to grant it. We have hedged this law around with stringent provisions, but, having done so, we should be very careful not to detrimentally affect our own people.

Mr. POYNTON (Grey—Minister for Home and Territories) [5.35].—I cannot accept the amendment. The object of the Bill is to secure uniformity in legislation of this character within the Empire, and the clause under discussion follows on that principle.

Mr. LAVELLE.—But we do not want to follow Great Britain slavishly in everything.

Mr. POYNTON.—The honorable member may not want this legislation at

all. There are other people who do. The Bill offers greater scope for naturalization than any of existing legislation, because it provides for Empire naturalization. If a woman marries a foreigner who intends to leave Australia, surely it is no hardship to say that she shall take the nationality of her husband. If, on the other hand, an Australian-born woman marries a foreigner who remains in Australia, why should not the husband become naturalized?

Mr. TUDOR.—Because he has to live here for five years before he can apply for naturalization.

Mr. POYNTON. — I understand, although the honorable member for Batman (Mr. Brennan) thinks otherwise, that the American law contains the same provisions as are in this Bill. I will not be dogmatic about some of the minor Republics, but I understand that under the United States of America law a woman marrying a foreigner takes the nationality of her husband whether she is American-born or not. There is nothing in this Bill to prevent the foreigner becoming naturalized except the limitation of time which, after all, is a very short period in the lifetime of any person.

Mr. CONSIDINE.—Suppose, as sometimes happens, an alien husband of an Australian-born woman clears out and leaves her? Under this Bill she will lose her nationality altogether.

Mr. POYNTON. — The honorable member is quoting an extreme case which is not touched by the amendment.

Mr. CONSIDINE.—I know; but it is a case in point.

Mr. POYNTON. — In that case the wife would for the time being lose her nationality, but the principle laid down in this Bill is the law of every civilized community.

Mr. MAKIN. — If an Australian-born man married a foreign woman, he would not be deprived of his rights.

Mr. POYNTON.—No, because under the law the wife takes the nationality of her husband. I repeat that the clause now under discussion is based on the English law for the purpose of securing uniformity. Otherwise there would have been no necessity to introduce the Bill.

Mr. RYAN. — Perhaps there was no necessity for it.

Mr. POYNTON.—There was. For years we have had complaints that foreigners, who had become naturalized in Australia, were regarded as aliens in New Zealand if they took up residence in that Dominion, and *vice versa*. This question has been the subject of many Imperial Conferences, and the object of the Bill is to bring about Imperial uniformity.

Mr. CONSIDINE.—It is the thin end of the wedge of Imperial Federation.

Mr. McWILLIAMS.—It is reciprocity in legislation.

Mr. MATHEWS (Melbourne Ports) [5.40].—There is no doubt that, as the honorable member for Barrier (Mr. Consideine) has suggested, this is the thin end of the wedge of Imperial Federation. We are getting nearer to that state of things every day. Our laws are being framed on what we think they want in the dear old Mother Country.

Mr. POYNTON.—I presume that, if a foreigner, married to an Australian woman, deserted her, she would get divorce and regain her nationality, and that, if she became a widow, she would have the same rights.

Mr. MATHEWS.—If we get much more legislation based on the idea of uniformity with the law in Great Britain, we shall undoubtedly be getting nearer to Imperial Federation, and the charge that this Parliament readily acquiesces in such legislative proposals will have much greater weight. As a representative of Australian Democracy I am not going to follow slavishly any British law at all. In regard to naturalization, the sooner we break away rather than follow British law the better it will be. There is no reason on earth why an Australian-born woman should not have the same rights as an Australian-born man; but in this Bill we are restricting her rights. Why should we, by means of this measure, limit the field of matrimony to any Australian-born woman? The whole thing is preposterous, and I am surprised that anybody should accept the principle. But I do not think it will be accepted. I know, however, that we are like voices in the wilderness in our objection to this measure, and are met with the contention

that our legislation must be brought into conformity with that of the dear old Motherland.

Mr. POYNTON.—We owe the dear old Motherland a lot, you know.

Mr. MATHEWS.—Perhaps we do, but we owe her nothing so far as naturalization is concerned. It was only a little while ago that Great Britain gave women in the United Kingdom any political rights at all. In Australia we should take the stand that women should have the same privileges as men; that a mother, like the father, should be sued for desertion of her children.

Mr. POYNTON.—The only case that this clause will affect will be that of an Australian-born woman married to a foreigner who deliberately refuses to become naturalized.

Mr. MATHEWS.—Well, I am surprised that the Minister will not accept the amendment. He has told us that none of the privileges obtained under State laws will be taken away by this measure, but we are not now allowing any opportunity for naturalization under a State law. Nobody has a right to deprive any native-born Australian woman of her birthright. Indeed, I doubt the authority of the Government to take away the birthright of any child born in Australia of an alien father, though in this Bill we say that, if a father be an unnaturalized foreigner, the mother becomes denaturalized.

Mr. McWILLIAMS.—Do you carry your argument farther, and include an Australian-born child of a Chinese father?

Mr. MATHEWS.—I say that all children born in this country are Australian, whether the father is naturalized or not. We cannot get away from the fact that they are Australian-born citizens. It has been held in Conservative Great Britain that a father cannot sell his child's birthright, even if he leaves England and becomes a naturalized subject of the United States of America; but in this Bill we say that an Australian-born woman who marries a foreigner loses her nationality and her children become denaturalized. I suppose that we shall have to leave the matter, as the Minister will not accept an amendment; but I can assure him that this will not make the ties with the Motherland any

stronger, because for the future we shall watch more jealously any proposal to fritter away our rights on the plea that it is desirable to have uniformity with the British law.

Mr. BRENNAN (Batman) [5.48].—I do not wish to delay the Committee except with a few words. When I spoke of the position in America, I had in mind a passage which I had read in Hall's *International Law*, seventh edition. He touches this subject, but does not, I admit, appear to be very positive. On page 238 of the last edition he says—

Except in some American countries, the nationality of a wife is merged in that of her husband, so that when a woman marries a foreigner she loses her own nationality and acquires his, and a subsequent change of nationality on his part carries with it, of course, a like change on her side. By the law of the United States of America, a native woman marrying a foreigner, perhaps, remained a subject of her State, though an alien woman marrying an American citizen becomes herself naturalized; by that of Ecuador, a native woman retains her nationality so long as she stays in the country; and in Venezuela and Haiti she keeps it in all circumstances.

I observe in the note to that passage that Mr. Hall points out that the American law on the subject is not clear, but it appears to be as I have stated. I was referring to this statement when I spoke of the United States of America as having adopted this principle. The Minister has asked why should not an Australian-born woman marrying a foreigner who is about to return to his own country take the nationality of her husband. My amendment will not in the slightest degree prevent her from doing this. It merely states that by reason only of her marriage with an alien she shall not cease to be a British subject.

Mr. POYNTON.—Burges' *Colonial and Foreign Law* shows that an American woman who marries an alien takes the nationality of her husband, and it gives a list of countries to which this law applies, such as France, Greece, Germany, Spain, Norway, Sweden, Denmark, Holland, Austria-Hungary, Bulgaria, and Japan.

Mr. BRENNAN.—Well, I have quoted an authority sufficient to show that I am not speaking without some knowledge of the subject. If an Australian girl, having married

an alien, desires to leave this country she may become naturalized in another country or in the country in which her husband resides, and may become recognised as a citizen of that country, but it ought to be quite a simple matter to provide in this Bill that at least while she is domiciled in Australia she will maintain her rights as an Australian citizen, and therefore also her rights as a British subject. However, my view is that we should not make any limitation, but that we should leave untouched and inviolate the Australian rights of any Australian-born woman.

Mr. WIENHOLT (Moreton) [5.52].—The honorable member for Batman (Mr. Brennan) has made out a good case for his amendment, with which I am in sympathy, but as the Minister (Mr. Poynton) tells us that the object of this Bill is to standardize naturalization throughout the Empire, we ought to be clear on the point as to whether any amendments, if carried, will wreck the Bill. If we are not allowed to make any amendments, there is no advantage to be gained by discussing the Bill, and it becomes simply a question of whether it is worth while having uniformity or not. It would be well for the Minister to say whether the carrying of this amendment would damn the Bill.

Mr. POYNTON.—I have already indicated that it would.

Mr. WIENHOLT.—In that case we are only wasting time by prolonging the discussion.

Mr. MAKIN (Hindmarsh) [5.54].—The very circumstance which the honorable member for Moreton (Mr. Wienholt) has pointed out simply demonstrates the fact that we are not masters of our own business. Apparently the insertion of a provision to protect the interests of an Australian citizen would be fatal to the Bill, and it is emphasized by the Minister that we must not do anything to disturb what has already been done in some other part of the Empire. I hold that we ought to have some voice in the making of legislation which it is sought to have applied uniformly.

Mr. McWILLIAMS.—There is nothing to prevent us from altering the Bill.

Mr. MAKIN.—But the Minister tells us that any alteration would be fatal to it.

Mr. POYNTON.—How can we have uniform legislation upon this subject throughout the Empire if the naturalization laws in different parts of the Empire vary in respect to certain conditions?

Mr. MAKIN.—I do not ask for any differentiation in respect to certain sets of circumstances, but I claim that we ought to have some voice in the framing of an agreement to which we are asked to become a party, and that those whose interests we represent should be able to realize that they are protected. When we are asked to accept without qualification legislation already decided upon elsewhere, how can we continue to be a self-governing Dominion?

Mr. GREGORY.—The honorable member is at liberty to fight for an amendment, and if he cannot succeed, well and good.

Mr. MAKIN.—I realize that I am entitled to fight for an amendment; but, in regard to this Bill, a fundamental principle, which we always thought governed our legislation in Australia, namely, the power to determine our own affairs, is absolutely destroyed. As an Australian, I am not prepared to delegate to any other part of the Empire the power to determine the nature of legislation to be enforced in Australia. I want to see the citizens of this country kept free from any outside interference in respect to determining what laws shall apply here. As the honorable member for Batman (Mr. Brennan) has rightly pointed out, this legislation affects vitally the interests of our women-folk. To make an Australian-born woman, who chooses to marry a person who is not naturalized here, an alien, is not in keeping with the elementary principles of justice. This legislation certainly does not conserve the interests of our own people, whose birthright it is to be regarded as Australian citizens. An Australian-born man can marry an alien woman, and still be regarded as having fulfilled all the conditions attaching to his citizenship; but an Australian-born woman who marries an alien is to be deprived of her birthright as an Australian.

Mr. CORSER.—That is the law to-day.

Mr. MAKIN.—I quite understand the position; but we should always be willing to remove any undesirable feature of our legislation; that is our duty here.

Mr. CORSER.—And at the same time deprive ourselves of the advantage to be gained by passing this Bill.

Mr. MAKIN.—By passing this Bill as it stands we shall deprive ourselves of a number of Australian citizens. Legislation which will do this cannot be described as desirable and advantageous, particularly in a country which is seeking population. If we deprive Australia of her natural-born citizens by making them aliens, we cannot prosper as we should.

Mr. POYNTON.—That argument would hold good if the honorable member could show that the Government would prevent aliens from becoming naturalized.

Mr. MAKIN.—At the end of five years circumstances may arise that may prevent an alien from becoming naturalized. We do not know what will happen within five years. A woman who marries an alien and is thus deprived of her nationality as an Australian, may hope to be restored to her nationality at the end of five years, but may be met by a set of circumstances under which the Government are not prepared to naturalize her husband.

Mr. POYNTON.—In ninety-nine cases out of a hundred the Government would agree to issue the naturalization papers.

Mr. MAKIN.—It is the hundredth case whose interests I am endeavouring to protect. My object in rising is to protect the womanhood of Australia from such legislation as this, particularly when it has not received the whole-hearted indorsement of an Australian Parliament. A Democracy should demand equality of sex in the rights of citizenship. This legislation comes to us with a request that because it has been adopted in other parts of the Empire we should slavishly follow it here. I am certainly opposed to such a course where Australian interests are involved.

Mr. LAZZARINI (Werriwa) [6.3].—We are a sovereign people, with a free Constitution, and entitled to determine matters for ourselves without dictation from elsewhere. Therefore, the proposition that we should conform to legislation of this character because it has been agreed to outside Australia does not appeal to me. This Bill may be part of an

Imperial scheme, but, so far, Australia has not even accepted British naturalization, but has had its own law in this regard. It has not even permitted any naturalization certificate issued in any other part of the Empire to hold good here. This was a safe course for us to adopt, and it will be a safe course for us to continue. As it is quite possible that aliens who may have been naturalized in other parts of the Empire may not be considered proper persons to be naturalized here, it is a power we ought to reserve to ourselves. However, the idea that we should adopt a clause because it has been included in legislation in another part of the Empire should have no support from us. Of course, if the merits of the provision suggest its adoption, it is quite a different matter. It seems to me absurd that an Australian-born woman, whose parents may be Australians, and probably of British descent, should, on marrying an alien, lose her Australian rights of citizenship, and be able to acquire them again only on the naturalization of her husband. I support the amendment, because I think that men and women should have equal treatment in matters of this kind. It is to the women of Australia that we look for the rearing and bringing up of future generations. The only argument for the provision in the Bill seems to be that it conforms with the law in other parts of the Empire; but if we are to take our laws from other places, we may as well get rid of this Parliament altogether. My view is that if the provision in the Bill cannot be supported on its own merits, it should be rejected, no matter where it may have originated.

Mr. RYAN (West Sydney) [6.8].—I am unable to understand the Minister's statement that if the amendment is accepted the Bill will be rendered null and void. Why should that be so?

Mr. POYNTON.—Because it will destroy the uniformity of our law with that of the Empire.

Mr. RYAN.—Where is it stated that if our law is not made uniform with that of the Empire the Bill will be null and void?

Mr. POYNTON.—Look at the English Act.

Mr. RYAN.—I know nothing there to support the declaration that the acceptance of the amendment will render the Bill null and void, so far as the Empire-wide operation of naturalization certificates is concerned. I have already argued that it is possible, if we so desire, to provide for an Australian naturalization, allowing those who wish for an Empire naturalization to obtain it by complying with the necessary conditions, such as the five years' residence. At the present time, an alien can be naturalized in Australia after a residence of two years. Why cannot we retain this condition in respect of Australian naturalization, and, as the honorable member for Hunter (Mr. Charlton) has suggested, give an Empire-wide certificate of naturalization to those who desire it, and comply with the conditions? The Minister said that that would require the issue of certificates of different kinds, which would cause confusion and difficulty. That objection, however, does not apply to the amendment, which provides simply for the declaration by the Committee that an Australian woman shall not, on being married to an alien, thereby be deprived of her Australian nationality, but may remain an Australian if she cares to do so. In making such a declaration, we should not be asking the British Empire to recognise anything. The only document which can be recognised as Empire-wide in its operation is the certificate, and the amendment says nothing of such certificate. All it says is that a woman need not give up her Australian nationality on marrying a foreigner. The British Empire is not being asked to recognise anything. I shall be glad if the Minister can refer me to any part of the measure, or to any correspondence indicating that the amendment will render the Bill null and void.

Mr. POYNTON.—Sub-clause 3 of clause 5 in the first schedule says—

Except as provided by this Act, a certificate of naturalization shall not be granted to any person under disability.

Mr. RYAN.—That sub-clause refers to certificates; but the amendment does not provide for the granting of a certificate to any person. The woman who marries an alien will have no document

or certificate except her marriage certificate, which is not the certificate referred to in the schedule. No provision is made for the issue of a certificate, and the amendment can have only an Australian operation. I hope that the Minister will consider the proposal from that point of view. It is only fair that he should do so, especially when a member like the honorable member for Moreton is convinced of the soundness of the argument, but says that, because of some artificial obstacle, he cannot support the amendment.

Mr. WIENHOLT.—I did not say that I would not support it; but I do not wish to lose the whole Bill.

Mr. RYAN.—I do not think that the Bill would be lost by the carrying of the amendment.

Mr. CHARLTON (Hunter) [6.15].—I join with other honorable members in appealing to the Minister to accept the amendment. It seems to me very unfair to say that, if an Australian-born woman marries a foreigner, she shall lose her nationality. With her nationality such a woman loses citizen privileges, and among them the franchise. I have known Australian women to marry foreigners who have always been good Australian citizens. In some cases, unfortunately, the husbands did not get naturalized before the war, though to all intents and purposes they were as good citizens as any of British nationality. It is proposed that, if a woman marries an unnaturalized person, she shall lose her citizenship, and shall not be entitled to vote until her husband has resided in Australia for five years. Previously the term of residence was two years. There is no justification for legislation to restrict the rights of citizenship to this extent. The plea advanced for the provision in the Bill is that it will secure uniformity. For some time past we have been drifting away from what was the practice before the war, and, instead of legislating for ourselves in the interests of this community, have been accepting legislation drafted for us in some other part of the world. Now, when we show clearly the need for an amendment of the law, we are told by the Minister that it cannot be accepted, because the Bill would then not be in conformity with what the British Government has determined.

Mr. GREGORY.—The question is, shall we have uniformity or not?

Mr. POYNTON.—This matter has been brought up at a number of Imperial Conferences at the request of our own representatives.

Mr. CHARLTON.—What is the difference between permitting persons outside Australia to draft legislation for us and being unable to amend proposals for legislation, because their amendment would prevent them from being uniform with legislation drafted elsewhere?

Mr. GREGORY.—We may do as we please.

Mr. CHARLTON.—That is my contention; but, for some time, in place of legislating for Australian conditions, which are different from those obtaining in many other British Dominions, we have been slavishly following in regard to some matters, the lines laid down by other representative assemblies in the British Empire. That is not fair. The arguments advanced in opposition to this amendment are not *bonâ fide*. It would not interfere in the least with the desire of the Government to secure uniformity if we enacted that two years' residence should be a sufficient qualification for naturalization in Australia, and that five years' residence should be required in the case of Empire naturalization. Why should we, because of any proposal put before a Conference held elsewhere, take away existing rights? Where an Australian woman marries a foreigner she ought not to lose her rights as an Australian citizen. She should continue in possession of all the rights of citizenship of the country in which she was born.

Mr. GREGORY (Dampier) [6.24].—I am at a loss to account for the argument that has been advanced by honorable members opposite to the effect that our work in this Parliament is dominated by legislation passed in Great Britain. The suggestion is preposterous. This Parliament can do exactly as it pleases, within the limits of the Constitution, but if, in respect of naturalization laws, we desire uniformity throughout the British Empire, we must follow as nearly as possible the lines laid down in other parts of the Empire.

Mr. CHARLTON.—There is no reason why we should not provide that two years' residence shall be a sufficient qualification for naturalization in Australia,

and that after five years' residence a certificate in respect of Empire naturalization shall be issued.

Mr. GREGORY.—No; but the Committee has already dealt with that point. The majority decided against the honorable member's contention, not because they were bound by legislation passed by any other country, but because they believed in the principle laid down. It is absurd to say that we cannot impose whatever conditions we please. The only question in this case is as to whether or not uniform legislation is desirable. If it is, then we must follow the lines laid down by the Minister (Mr. Poynton). The honorable gentleman has said openly, "I desire uniformity in this regard." I believe that uniform naturalization laws throughout the Empire are very desirable."

Mr. BRENNAN.—In what respect does this measure differ from others, such as the Workers' Compensation Act, that we should almost literally follow the English Act?

Mr. GREGORY.—The Minister says that he desires uniformity in respect of this legislation, but that does not affect our privileges in any shape or form. Although there is at the end of this clause a reference to persons "under disability," it seems to me that we could deal better with this question when we come to clause 17. It is provided in that clause that the wife of a British subject shall be deemed to be a British subject, and that the wife of an alien shall be deemed to be an alien.

Mr. BRENNAN.—By the time that we reached that clause we should already have placed this embargo in the Bill.

Mr. GREGORY.—Not at all. It is on clause 17 that this question should be raised. Assuming that it will be discussed at that stage, I do not propose to deal with it now, except to say that I think we are right in providing that when an Australian-born woman marries an alien she shall take the nationality of her husband. That principle has always been observed, and I am quite in accord with the provisions of clause 17, on which I think this amendment should be dealt with.

Mr. CORSER (Wide Bay) [6.28].—I would suggest that the honorable member for Batman (Mr. Brennan) withdraw his amendment and bring it forward again when we reach clause 17. I understand that that clause could be so amended as to carry out the object which the honorable member has in view, while at the same time not affecting the principle of the Bill in regard to Empire naturalization. If it is considered by the Committee that there should be inserted in the Bill a provision which would enable an Australian-born woman married to an alien to retain her nationality, such an amendment could be made in clause 17 without materially interfering with the scope of the whole Bill, as we should do by amending this clause in the way now proposed.

Sitting suspended from 6.30 to 8 p.m.

Mr. TUDOR (Yarra) [8.0].—I was anxious to have the definition of "disability" in clause 5 altered as regards the reference to married women. The wisest course would be to remove the disability on women who marry foreigners by accepting the amendment of the honorable member for Batman (Mr. Brennan) on this clause. It is all very well to say that women have an opportunity to marry Australians and need not marry aliens, but unfortunately women will select their own husbands. We have now provided that an alien must be in this country for five years before he can become naturalized, and a woman will not wait five years to get married.

Mr. CONSIDINE (Barrier) [8.1].—I do not see why the Minister (Mr. Poynton) should not accept the amendment. The only reason he has put forward is that the Imperial Conference, or a Conference of the various Dominions and Great Britain, decided upon uniform legislation on this and other matters. While I do not attach very great importance to the question of naturalization, in view of our experience of its "benefits" during the war period, it seems to me that the Minister's contention that we should pass this Bill because the Imperial authorities desire uniform legislation on the subject throughout the Empire is not a very sound argument why the people of Australia should allow Australian women who marry foreigners

to lose their nationality rights. If the Minister's contention is correct, the same argument would have applied to the enfranchisement of women in Australia. When Bills were introduced to confer the franchise on all Australian women of the age of twenty-one years, it might similarly have been argued that they should not be passed because all women in Great Britain were not enfranchised. Only women with certain property qualifications are allowed to vote in Great Britain. The Minister's argument would mean that various other parts of the Empire would have to remain backward in their legislation until Imperial headquarters saw fit to advance.

Mr. POYNTON.—Your argument would be good if we were passing a franchise Bill, but we are not.

Mr. CONSIDINE.—The fact that the present Ministry were not in power when Australian women were enfranchised does not destroy the principle which the honorable member for Batman (Mr. Brennan) is trying to establish.

Mr. POYNTON.—I voted for the enfranchisement of women twenty-six years ago.

Mr. CONSIDINE.—I know the honorable member did, but if he were logical he should have opposed the Bill to enfranchise Australian women on the ground that the reform had not taken place in Great Britain. According to the Minister, whatever is decided by the Imperial Conference, or the Round Table group, or whoever it is that is endeavouring to foist the Imperial Federation scheme upon the Dominions and take away their self-governing rights, must be adopted by us without amendment.

Mr. POYNTON.—It is quite optional whether you take the Bill or not.

Mr. CONSIDINE.—In one sense it is. The Minister says Parliament can decide if it wishes in favour of this amendment, but, on the other hand, any one who knows the proceedings of this Parliament may be sure that the majority who follow the Government will tamely acquiesce in whatever they do. An arrangement is first come to at the Imperial Conference and then it is passed through this Legislature after a pretence at debate.

Mr. POYNTON.—The law concerning the nationality of women was the same when your Ministry were in power.

Mr. CONSIDINE.—An attempt is being made now to remedy a defect that is recognised in existing legislation, but

the fact that the Labour Government who were in power some time previously did not take the opportunity to make this amendment is no reason why the present Government should not remedy it. The Minister's interjection may be good party tactics, but it is very bad logic. It does not affect the principle. I fail to see why the plea for uniformity should be allowed to defeat an amendment which is calculated to protect the women of Australia who marry foreigners, more especially when it is proposed to increase the qualifying period for naturalization from two to five years. An Australian woman who marries a foreigner, who afterwards deserts her, is robbed of her rights as a citizen, in addition to being left here to battle along as best she can. Such cases may be rare, but the Minister has admitted that they can occur.

Mr. POYNTON.—She is entitled to divorce in those circumstances, and then would be able to obtain the franchise.

Mr. CONSIDINE.—She would have to wait a long period before she could sue for divorce.

Mr. RYAN.—The period varies in the different States..

Mr. BRENNAN.—It is three years in Victoria.

Mr. CONSIDINE.—All that could be avoided by accepting this amendment, and the woman would not be under the necessity of going to the expense and trouble of securing a divorce in order to regain whatever citizen rights she had before she married. The honorable member for Hunter (Mr. Charlton) has shown an easy way to overcome the difficulty, by having a dual system of Imperial citizenship and Australian citizenship functioning side by side. The only reply to our arguments throughout the debate has been the plea that we have agreed at the Imperial Conference, or made some other arrangement, to bring our legislation into conformity with that of the rest of the Empire. No case has been put forward against this amendment except that continual cry for uniformity. No attempt has been made to show what advantages will accrue to the citizens of Australia, some of whom will certainly be in danger of having their rights curtailed by this legislation, by falling into line with the legislation of Great Britain. It is apparent that the Ministry have determined

to put the Bill through unaltered, even if an amendment would make it more acceptable to the people who will suffer the disadvantages under it. As the Government have the numbers, it is of no use to occupy further time in talking about it. They are determined to put it through, and through it will go.

Question—That the amendment (Mr. Brennan's) be agreed to—put. The Committee divided.

Ayes	15
Noes	27

Majority	12
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AYES.

Brennan, F.	Moloney, Parker
Charlton, M.	Ryan, T. J.
Considine, M. P.	Stewart, P. G.
Cunningham, L. L.	Tudor, F. G.
Lavelle, T. J.	Wienholt, A.
Lazzarini, H. P.	<i>Tellers:</i>
Mathews, J.	Makin, N. J. O.
McGrath, D. C.	Watkins, D.

NOES.

Atkinson, L.	Hughes, W. M.
Bamford, F. W.	Jackson, D. S.
Bell, G. J.	Lister, J. H.
Blundell, R. P.	Mackay, G. H.
Bruce, S. M.	Marr, C. W. C.
Cameron, D. C.	Poynton, A.
Cook, Sir Joseph	Prowse, J. H.
Cook, Robert	Rodgers, A. S.
Corser, E. B. C.	Ryrie, Sir Granville
Fleming, W. M.	Smith, Laird
Gibson, W. G.	Wise, G. H.
Greene, W. M.	<i>Tellers:</i>
Gregory, H.	Burchell, R. J.
Hill, W. C.	Story, W. H.

PAIRS.

Anstey, F.	Watt, W. A.
West, J. E.	Bayley, J. G.
Blakeley, A.	Bowden, E. K.
Catts, J. H.	Chapman, Austin
Riley, E.	Foster, Richard
Fenton, J. E.	Fowler, J. M.
Gabb, J. M.	Francis, F. H.
Nicholls, S. R.	Hay, A.
Mahony, W. G.	Livingston, J.
Mahon, H.	Lamond, Hector
McDonald, C.	Marks, W. M.
Maloney, Dr.	Best, Sir Robert
Page, James	Groom, L. E.

Question so resolved in the negative.

Amendment negatived.

Question—That the clause be agreed to—put. The Committee divided.

Ayes	32
Noes	13

Majority	19
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AYES.

Atkinson, L.
Bamford, F. W.
Bell, G. J.
Blundell, R. P.
Bruce, S. M.
Cameron, D. C.
Cook, Sir Joseph
Cook, Robert
Corser, E. B. C.
Fleming, W. M.
Gibson, W. G.
Greene, W. M.
Gregory, H.
Higgs, W. G.
Hill, W. C.
Hughes, W. M.
Jackson, D. S.

Jowett, E.
Lister, J. H.
Mackay, G. H.
Marr, C. W. C.
McWilliams, W. J.
Poynton, A.
Prowse, J. H.
Rodgers, A. S.
Ryrie, Sir Granville
Smith, Laird
Stewart, P. G.
Wienholt, A.
Wise, G. H.

Tellers:

Burchell, R. J.
Story, W. H.

NOES.

Brennan, F.
Charlton, M.
Considine, M. P.
Cunningham, L. L.
Lavelle, T. J.
Lazzarini, H. P.
Mathews, J.

McGrath, D. C.
Moloney, Parker
Ryan, T. J.
Tudor, F. G.
Tellers:
Makin, N. J. O.
Watkins, D.

PAIRS.

Watt, W. A.
Bayley, J. G.
Bowden, E. K.
Chapman, Austin
Lamond, Hector
Foster, Richard
Fowler, J. M.
Francis, F. H.
Hay, A.
Best, Sir Robert
Livingston, J.
Marks, W. M.
Groom, L. E.

Anstey, F.
West, J. E.
Blakeley, A.
Catts, J. H.
McDonald, C.
Riley, E.
Fenton, J. E.
Gabb, J. M.
Nicholls, S. R.
Maloney, Dr.
Mahony, W. G.
Mahon, H.
Page, James

Question so resolved in the affirmative.

Clause agreed to.

Clause 11 (Effect of certificate of naturalization).

Mr. BRENNAN (Batman) [8.26].—There is nothing, from my point of view, particularly objectionable in this clause; but I beg to call the attention of the Minister (Mr. Poynton) to a peculiarity in the proviso, which is as follows:—

Provided that where, by any provision of the Constitution or of any Act or State Constitution or Act, a distinction is made between the rights, powers or privileges of natural-born British subjects and those of persons naturalized in the Commonwealth or in a State, the rights, powers, and privileges conferred by this section shall, for the purposes of that provision, be only those (if any) to which persons so naturalized are therein expressed to be entitled.

First of all, I cannot understand why this proviso, or this clause, is expressly stated

to be subject to the Constitution. I take it that every Act of this Parliament is subject to our constitutional limitations. On the other hand, there is a peculiarity about this clause in that it expressly asserts the superiority of each and every State Legislature in a matter over which the Commonwealth has jurisdiction. This, of course, may not be exclusive jurisdiction; but it is curious to find the Commonwealth Parliament going out of its way to assert that a clause in one of its Acts is subject to any Act passed by any State Legislature on the same subject.

Mr. McWILLIAMS.—Is that not unconstitutional?

Mr. BRENNAN.—Well, if the proviso had been left out altogether, I do not suggest that it would have prevented the State Legislatures from legislating in respect of differences between naturalized and non-naturalized persons, and drawing a distinction for their several State purposes. That, however, does not seem sufficient reason why the Commonwealth Parliament should expressly state that it is legislating in respect of the rights of naturalized persons, in the light of an admission that every State Legislature has the right to make a discrimination which this clause is expressly designed to render impossible. There is the further peculiarity that we go out of our way to say that this clause shall be subject to the Constitution, which, of course, every Act of this Parliament must necessarily be.

Mr. POYNTON (Grey—Minister for Home and Territories) [8.27].—I must point out to the honorable member that this clause is an exact copy of section 8 of the original Act.

Mr. BRENNAN.—It is rather peculiar. I have not seen such a clause anywhere else.

Clause agreed to.

Clause 12 (Revocation of certificate of naturalization).

Mr. GREGORY (Dampier) [8.29].—I notice that, according to paragraph *b* of this clause, the Governor-General has power to revoke a certificate of naturalization granted to a person who has, within five years of the date of the granting of the certificate, been sentenced by

any Court to imprisonment for a term of not less than twelve months, or to a fine of not less than £100. In connexion with all the other paragraphs it is compulsory that the person to whom letters of naturalization have been granted, and whose certificate of naturalization it is desired to revoke, shall be afforded an opportunity of appealing to a Judge of the Supreme Court. But under this clause, if a naturalized alien has been fined £100, the Governor-General has the power to revoke his naturalization certificate.

Mr. TUDOR.—Only if he is fined within five years of being granted the certificate.

Mr. GREGORY.—But a person may be fined £100 for an offence which may not justify the revocation of his naturalization certificate.

Mr. POYNTON.—This provision is copied from the first schedule to the Imperial Act.

Mr. GREGORY.—Would it not be just to make sub-clauses 4 and 5 apply to all these cases? I do not like the idea of the Governor-General being vested with power to revoke the naturalization certificate of any man without that man being afforded a right of appeal.

Mr. POYNTON (Grey—Minister for Home and Territories) [8.32].—Here, again, any alteration of the provision to which reference has been made will impair the uniformity of the Bill with Imperial legislation. The first schedule to the measure is an exact copy of the British Act. Under sub-clause 4, the right of appeal to a Judge of a Supreme Court will apply to paragraphs *a*, *c*, and *e*, but not to paragraphs *b* and *d*.

Mr. McGRATH.—Cannot a departure be made from the Imperial Act upon a question of this sort?

Mr. POYNTON.—It may or may not. I ask honorable members to adhere to the Bill in its present form.

Dr. MALONEY (Melbourne) [8.33].—Honorable members generally recognise that under the stress of war England was compelled to grant a larger measure of freedom to her people than they had previously enjoyed. But is the civilization of the Old Country, as reflected in her laws, equal to our own? We endowed our citizens with the

right to vote because of their manhood or womanhood before Great Britain conceded them a similar right.

Mr. BRENNAN.—There they have not the vote yet.

Dr. MALONEY.—I quite agree with the honorable member, and they will not get it until the abolition of that abomination, the House of Lords. Is it worth while to slavishly copy laws which we know are not up to date? Our laws do not discriminate between citizen and citizen, except in relation to the question of naturalization. I have no desire to labour this question, but I join with the honorable member for Dampier (Mr. Gregory) in urging that, whenever the Governor-General has decided to revoke a certificate of naturalization, the person to whom it has been granted should have the right of appeal. It seems absolutely unjust that a man or woman should be punished without a hearing.

Mr. POYNTON.—Under the existing law I can refuse a hearing in every case.

Dr. MALONEY.—Nobody recognises more than I do that, when a Minister desires to do a certain thing, his powers are almost unlimited. That fact has been demonstrated by the action of Ministers again and again. It is true that a Minister has the power to refuse a hearing in certain cases, but I hope that he will never exercise that power. From my knowledge of him, I do not believe that he would punish any man or woman without first giving them a hearing.

Mr. GREGORY.—But we do not know who will be the Minister in twelve months, two years, or, perhaps, five years' time.

Dr. MALONEY.—Exactly. If we had a Minister who was perfect, there would be no need to hedge the Bill round with these safeguards. But as that is impossible, I urge the honorable gentleman not to slavishly follow the Imperial Act. Had we followed Imperial legislation in other respects, no citizens in this country prior to the war would have had the right to vote because of their manhood or womanhood. Let us lead the Home Land in this, as we have led her in other matters.

Mr. WIENHOLT (Moreton) [8.39].—Upon the motion for the second reading of this Bill, I said that whilst we ought not to be too hasty in granting letters of

naturalization to aliens, we ought not to deprive those who have already been naturalized of their citizenship rights without very serious reason and in the absence of very definite proof in justification of our act. It seems to me that under paragraph *a* of sub-clause 2 we are going to deprive a man of his citizenship rights merely because he has been fined £100. Moreover, he is to have no right of appeal. The wording of the provision is mandatory. If a naturalized alien has been fined £100 for any offence he will automatically lose his citizenship rights.

Mr. POYNTON.—If the honorable member will look at a later provision, he will see that a naturalization certificate will be revoked only in case its continuance will not be conducive to the public good. It would be a very extreme case, therefore, in which such action was taken.

Mr. WIENHOLT.—It seems unfair that a man should be punished twice for the same offence.

Mr. POYNTON.—Under the present law the Governor-General—which means the Minister and the Government—can revoke a certificate of naturalization in any circumstances.

Mr. WIENHOLT.—I do not suggest that the present law is perfect. I would like the Minister to say how the provision will affect anybody who has been naturalized under State laws. Will the clause give him the power to revoke any naturalization certificate granted before the Commonwealth took over the control of naturalization?

Mr. POYNTON (Grey—Minister for Home and Territories) [8.40].—I mentioned earlier to-day that clause 33 gives greater powers to the Governor-General in respect of the revocation of naturalization certificates than does this clause. I propose to amend that clause, with a view to making it conform to the provision with which we are now dealing.

Mr. MATHEWS.—Will the alteration be in conformity with the British Act?

Mr. POYNTON.—Yes.

Mr. MATHEWS.—It seems strange that the Minister can alter one portion of the Bill without impairing its uniformity with British legislation, but cannot alter another portion of it.

Mr. POYNTON.—Anything outside the schedule to the Bill, which is the

British Act, will not affect the question of uniformity.

Mr. BRENNAN (Batman) [8.43].—Upon the general subject of revocation, I stated previously that I do not think there should be any revocation of naturalization certificates.

Mr. GREGORY.—Not under any circumstances?

Mr. BRENNAN.—Subject only to one qualification, namely, that which is set out in the first part of this clause, which reads—

Where the Governor-General is satisfied that a certificate of naturalization granted by him has been obtained by false representation or fraud, or by concealment of material circumstances . . . the Governor-General shall, by order, revoke the certificate.

The principle which applies in the domain of real property and in the perfecting of titles whereby a certificate of title—

Mr. POYNTON.—Does not the honorable member think that if a naturalized person were trading with the enemy during a period of war, his certificate of naturalization should be revoked?

Mr. BRENNAN.—I shall deal with that matter presently. I agree that what one obtains by fraud should not be regarded as sacrosanct, and that he may very properly be called upon to disgorge it. There is a kind of analogy in the real property law which makes a certificate of title practically irrevocable except where it has been obtained by fraud. Apart from that condition—although there may be serious offences enumerated in the clause as reasons for the revocation of letters of naturalization—there is a good deal to be said in favour of declining to revoke a certificate of naturalization when once it has been granted. I say that, not by way of condoning or minimizing the seriousness of the offence to which the Minister has just called attention—that of a naturalized person engaging in trade with the enemy during a period of war. That, probably, is one of the strongest grounds for revocation in the clause. But, where there are very exacting provisions to be fulfilled before a grant of letters of naturalization; where there is required, as under this Bill, five years' residence; and when the applicant is then submitted to a searching examination concerning character, and a variety of other related

matters; then, after that length of residence and after that examination, when we take a man into the ranks of our citizenship we should render ourselves permanently responsible for him. From the practical stand-point, that is really a safer course than if we were to resort to the method of revocation of letters of naturalization. For, when we have revoked them, what are we going to do with the individual? We may resort to a policy of deportation—a practice not altogether foreign to this Government; but it is a very cumbrous and unsatisfactory way of dealing with recalcitrants of our own country. And, when we remember that these people have probably established families and have their circles of relatives and friends who still remain here, the fact of denaturalizing them creates only more dissatisfaction and danger than if we were to deal with them as law-breakers, if they are so, who were natural-born or naturalized citizens of the Commonwealth or the Empire. I was impressed by the significant remark of the honorable member for Moreton (Mr. Wienholt), that we should be very chary about making aliens of persons whom we had once admitted to citizenship. So far from that being a disloyalist plea, it can be argued from the point of view of law-abiding citizenship. The law can and ought to punish guilty persons for what they do. When we make persons citizens, we should be permanently responsible for them.

Under this Bill, revocation may be made for a number of reasons. Some of these are necessarily the subject of a special inquiry. The person concerned has that benefit in some of the instances quoted in the clause; while, in others, he has not. He has that right under the terms of paragraphs (a), (c), and (e) of sub-clause 2, while in paragraphs (b) and (d) he has no such right. It is certainly an advance that this right of inquiry should have been granted at all. It is something quite new and refreshing for the Government to give to any man, in circumstances of this kind, the basic justice of an open inquiry of any sort whatsoever. To that extent the Government are deserving of congratulation.

Mr. POYNTON.—Then I ought to get the honorable member's whole-hearted support.

Mr. Brennan.

Mr. BRENNAN.—To that extent, the Minister will receive it. But it is curious that where a person—

has within five years of the date of the grant of the certificate been sentenced by any Court in His Majesty's Dominions to imprisonment of a term of not less than twelve months, or to a term of penal servitude, or to a fine of not less than one hundred pounds,

his certificate of naturalization is revoked, and he has no claim to an inquiry. It is true that he is not altogether excluded from an inquiry, but he has no right to one. With the recollection that most honorable members have of the kind of thing done during the war, and of the character of the offences for which people were prosecuted, fined, and imprisoned, it must be obvious to them that it can be quite an easy thing for a very good citizen to be fined £100.

Mr. McGRATH. — Did they not fine people for saying there were six Australian Divisions?

Mr. BRENNAN.—Yes. Men were prosecuted and punished under an Act which enabled the Court to impose a fine amounting to just this total of £100, or a term of imprisonment covering just this same period of six months, for saying there were six Australian Divisions in the field.

Mr. McGRATH.—They do not now deny that there were six.

Mr. BRENNAN.—It was not then a question of what was right, but of what was expedient. And it was very inexpedient, for the purposes of conscription, for any one, who considered he had a special duty in telling the truth, to be permitted to do so in this respect.

Mr. BELL.—Surely the honorable member was not punished for telling the truth?

Mr. BRENNAN.—I was punished as far as it was possible to punish me. I judiciously abstained from saying there were six Divisions in any place where I was likely to be overheard by secret service men whom the honorable member's Government paid to go about the country initiating prosecutions against law-abiding citizens. If I could not be good I was careful.

The Minister might at least, without interfering with that golden rule of uniformity which both possesses and oppresses him in dealing with this measure, amend the clause in order to give the

benefit of a public inquiry to those persons indicated in the paragraph which I have just quoted; that is, an inquiry into the circumstances in which they have been fined. In other words, there should be a re-trial before a person is punished twice. When a man gets six months it may be taken for granted that justice has been done, and that he has been sufficiently punished for the one offence. Something along the same lines of argument may be said in regard to paragraph *d*, in relation to which also no inquiry has been provided. I invite the attention of the Minister to the last paragraph, which reads—

(e) remains according to the law of a State at war with His Majesty a subject of that State.

This is a ground of revocation, and mandatory at that.

Mr. POYNTON.—Could a man have two nationalities?

Mr. BRENNAN.—But why should we be governed in the treatment of our citizens by a law passed by another country over which we have not only no control, but with which we are actually at war? Let us suppose that we have a Frenchman for a fellow citizen—since it is wiser to select a nation with which we are immediately and, for the present, more friendly—who came out here, and, after having passed through his five years' probation, eventually became a naturalized citizen. He lives here for twenty-five years, rears a family, and establishes himself as a good and useful citizen in every respect, so that not even the most captious critic could suggest anything against him. Let us suppose, further, that war were to break out between Britain and France—which, God forbid—and let us suppose that France passes a law that every man born on French soil, and having had French citizenship, shall be called to the colours, and that they shall disregard any letters of naturalization given them by any other country. In such circumstances here is a citizen of our own country, who is paying our own taxes, and obeying our own laws, and who has not necessarily the slightest sympathy with the country from which he came; yet this foreign enemy nation is able to denaturalize a good citizen of our own country. And, because this enemy country has declared him to be not a

citizen of this country, then, *ipso facto*, under this clause his letters of naturalization must necessarily be revoked. That is contrary to elemental justice. I do not know on what principle it is done at all. Why should we surrender the rights of our own citizens to an enemy country against which we are fighting? And, just for the reason that—according to its law—a citizen of this country ceases to be our citizen, why should we necessarily follow suit and cast him off? Something like that was said about the Germans during the war. It was under what was known as the Delbruck law that the Germans were said to decline to recognise our laws of naturalization as divesting Germans of their German citizenship. But, after all, so far as I can ascertain by reference to the text books, Germany's stand in that respect was no different from the attitude adopted by France, Italy, and Spain. Indeed, I know scarcely any civilized country from whose laws upon this specific point those of Germany greatly differ.

Dr. MALONEY.—Switzerland stands out distinct from all.

Mr. BRENNAN.—Probably she does. None of these countries admits the right of its citizens to go abroad and acquire another naturalization. The Latin maxim on the subject, well known in the text books, is *Nemo potest exire patriam*. "Nobody may cast off his nationality." That principle is well known, I say, in civilized countries. It is to be said in favour of Britain, however, that while she accepted and guarded that principle very jealously up to the time of the passing of the Naturalization Act of 1870, since then she has adopted the view that when one of her citizens goes abroad and acquires another nationality that person ceases to be a national of the British Empire. So far as I can see, Great Britain is almost alone in that regard; and I would like to know if the Minister can tell us what other countries have agreed to the principle that one of its citizens can go abroad and throw off nationality, and when he acquires nationality abroad, cease to owe allegiance to his own country.

Mr. WIENHOLT.—It might get a person into a very difficult position by calling him up against his own people.

Mr. BRENNAN.—I do not know what the honorable member means by that. There were men who came to this country before the recent great and tragic war who were born in Germany, and who had established themselves here and adopted British nationality for themselves and their families. In many cases these people were whole-hearted supporters of the Allied cause; and if there is anything in war at all—and I have as little to say in its favour as any one—it is quite right that a person who adopts citizenship should make himself a citizen absolutely, with all its duties and responsibilities, whatever they may be. I would be glad if the Minister would let us know what the departmental view is concerning sub-clause e, and also if he can tell the Committee what other countries are prepared to say, "You give our people naturalization, and we will divest them of their responsibility to us." I believe Great Britain has made such a declaration, but she is the only country which has said so in so many words. If it is not as I suggest, we will have the unpleasant consequences concerning which I argued in the earlier stages of this discussion. It is somewhat difficult to deal with a clause which extends over two pages; but, so far as I know, I have expressed my principal objection to this somewhat long and involved provision. I could not think of supporting the clause in its present form.

Question—That the clause be agreed to—put. The Committee divided.

Ayes	29
Noes	10
Majority	13

AYES.

Atkinson, L.
Bamford, F. W.
Bell, G. J.
Blundell, R. P.
Bruce, S. M.
Cameron, D. C.
Cook, Sir Joseph
Cook, Robert
Corser, E. B. C.
Fleming, W. M.
Gibson, W. G.
Greene, W. M.
Gregory, H.
Higgs, W. G.
Hill, W. C.

Hughes, W. M.
Jackson, D. S.
Jowett, E.
Lister, J. H.
Mackay, G. H.
Marr, C. W. C.
Poynton, A.
Prowse, J. H.
Rodgers, A. S.
Ryrie, Sir Granville
Smith, Laird
Wise, G. H.
Tellers:
Burchell, R. J.
Story, W. H.

NOES.

Brennan, F.
Charlton, M.
Considine, M. P.
Cunningham, L. L.
Lavelle, T. J.
Lazzarini, H. P.
Mathews, J.
McGrath, D. C.
McWilliams, W. J.

Moloney, Parker
Page, James
Ryan, T. J.
Tudor, F. G.
Wienscholt, A.

Tellers:

Makin, N. J. O.
Watkins, D.

PAIRS.

Watt, W. A.
Bayley, J. G.
Bowden, E. K.
Chapman, Austin
Lamond, Hector
Foster, Richard
Fowler, J. M.
Francis, F. H.
Groom, L. E.
Best, Sir Robert
Livingston, J.
Marks, W. M.

Anstey, F.
West, J. E.
Blakeley, A.
Catts, J. H.
McDonald, C.
Riley, E.
Fenton, J. E.
Gabb, J. M.
Nicholls, S. R.
Maloney, Dr.
Mahony, W. G.
Mahon, H.

Question so resolved in the affirmative.

Clause agreed to.

Clauses 13 and 14 agreed to.

Clause 15 (Conditional application of section).

Mr. BRENNAN (Batman) [9.10].—This is a rather curious provision, which refers to the clause we have just adopted, and which enables us to recognise a certificate of naturalization granted by the Secretary of State. It is the first time we have had a provision enabling us to recognise naturalization issued in Great Britain. This clause states that the last preceding one shall not apply to certificates granted by the Government of any Dominion specified in the second schedule to this Bill unless the Legislature of that Dominion adopts Part II. of the British Act.

Mr. POYNTON.—That is adopted.

Mr. BRENNAN.—In the interests of the Minister's old friend, uniformity. The clause means that we will not recognise the certificates issued by other Dominions unless they recognise the British Act. I am, however, more concerned with the application of the British Act as a whole to Australia.

Clause agreed to.

Clause 16—

(1) Part II. of the British Act, a copy of which part is set out in the first schedule to this Act, is adopted.

Mr. TUDOR (Yarra) [9.12].—We have been told by the Minister for Home and

Territories (Mr. Poynton) that it is desired to make the Bill uniform with the British Act; but we now come to a sub-clause which provides that Part II. of the British Act is adopted. Any honorable member who takes the trouble to peruse clauses 7 to 15 will find that they are practically word for word with the British Act, and I would like to know why the necessity arises to pass a provision of this character.

Mr. POYNTON.—It is all right.

Mr. BRENNAN (Batman) [9.13].—I move—

That the following words be inserted after the word "adopted":—"in so far as it is not inconsistent with this Act."

The Leader of the Opposition (Mr. Tudor) has pointed out that, after careful examination, one must admit that it is fairly consistent. If we are going to adopt the provisions of the Imperial Parliament *in globo*, and without discussion, I would like a declaration by this Committee that we adopt them only subject to their being consistent with the provisions of the measure that we are now dealing with. I think that for the most part the schedule, which in itself is a copy of the British Act, is no more objectionable than the present Bill; but I do not undertake to say it is wholly unobjectionable from my point of view. Although I have not succeeded with any of the amendments I have moved, I suggest that, if we are going to adopt the British Act, we should declare that it shall be subject to the provisions of this Act. The Leader of the Opposition pointed out that this schedule is hallowed by its ancient origin, as it goes back to the time of William III.

Mr. RYAN (West Sydney) [9.15].—Do I understand that the Minister accepts the amendment.

Mr. POYNTON.—No. I think it is only moved for the purpose of ridicule.

Mr. BRENNAN.—It is in the interests of your old friend, "Uniformity."

Mr. RYAN.—There does not seem to be anything wrong with the amendment. If there is anything inconsistent in the Act, there can be nothing to object to in the amendment, but if there is nothing inconsistent in the Act, it will do no harm. I rose a moment or two ago for the purpose of asking in what circumstances the Government adopts Part

II. of the British Act of 1870? I have heard a lot of talk, while the debate has been in progress, about the necessity for uniformity, and about certain Imperial Conferences of which this measure is the result. Is that not so?

Mr. POYNTON.—That is correct.

Mr. RYAN.—Very well; what I want to know now is, at what Imperial Conference was this decision arrived at; who were the representatives of Australia, and what was the resolution? This is a very important matter. I have no recollection of any such gathering. We have been told, in a vague sort of way, about Imperial Conferences; but, so far, we have had no evidence of any such gatherings. If an Imperial Conference dealt with this matter, I would have thought that we would be merely adopting, not Part II. of an old British Act of 1870, but something more agreeable to all the Dominions concerned. As it is, we have merely the adoption, *holus bolus*, of Part II. of the British Act of 1870.

Mr. CONSIDINE.—We ought to be thankful that they did not go back to William the Conqueror.

Mr. RYAN.—They adopted the Act of 1870 probably because of its provision that the naturalization of the overseas Dominions would only be accepted if the Dominions accepted Part II. of that Act. But I do not want to be drawn away from the main purpose of my rising, and that was to ascertain from the Minister what Imperial Conference it was that came to the conclusion that this kind of legislation was desirable, who were the representatives of the Commonwealth, and what result was arrived at. That is a simple question, and I shall be obliged if the Minister will be good enough to inform me. I have no doubt that he has information.

Mr. McGRATH (Ballarat) [9.20].—Surely the Minister is going to let us have the information asked for by the honorable member for West Sydney (Mr. Ryan). It was a civil question, asked in a courteous manner. All through the debate we have been told that an Imperial Conference had dealt with this matter, and had come to certain conclusions. And now the honorable member for West Sydney has asked a question that—

Mr. POYNTON.—The question is a reflection on my veracity. The honorable member for West Sydney knows all about the Conference.

Mr. McGRATH.—I am not troubled about the question being a reflection upon the Minister's veracity at all. I only want to know. I do not doubt that an Imperial Conference was held, but, like the honorable member for West Sydney, I would very much like to know who were our representatives at that gathering.

Mr. POYNTON.—Senator Pearce, Mr. Fisher, and the late Mr. Batchelor. The Conference was held in 1911.

Mr. JAMES PAGE.—What a time the incubation has taken.

Mr. McGRATH.—We are now told that this Conference was held in 1911. One of our representatives at the Conference has been dead for nine years, and another has not been living in Australia for five years.

Mr. CONSIDINE.—They are picking up the arrears of work.

Mr. McGRATH.—During all that time this matter has been left in abeyance.

Mr. POYNTON.—And now when we introduce the legislation you are trying to hold it up.

Mr. McGRATH. — What resolution was passed at that Conference? I am also anxious to know how Senator Pearce, the late Mr. Batchelor, and the Right Honorable Andrew Fisher voted upon this particular question.

Question—That the words proposed to be inserted be so inserted—put. The Committee divided.

Ayes	14
Noes	31
Majority	17

AYES.

Brennan, F.	Moloney, Parker
Charlton, M.	Page, James
Considine, M. P.	Ryan, T. J.
Cunningham, L. L.	Tudor, F. G.
Lavelle, T. J.	
Lazzarini, H. P.	
Mathews, J.	
McGrath, D. C.	

Tellers:

Makin, N. J. O.
Watkins, D.

NOES.

Atkinson, L.	Jackson, D. S.
Bamford, F. W.	Jowett, E.
Bell, G. J.	Lister, J. H.
Blundell, R. P.	Mackay, G. H.
Bruce, S. M.	Marr, C. W. C.
Cameron, D. C.	McWilliams, W. J.
Cook, Sir Joseph	Poynton, A.
Cook, Robert	Prowse, J. H.
Corser, E. B. C.	Rodgers, A. S.
Fleming, W. M.	Ryrie, Sir Granville
Francis, F. H.	Smith, Laird
Gibson, W. G.	Wienholt, A.
Greene, W. M.	Wise, G. H.
Gregory, H.	
Higgs, W. G.	Tellers:
Hughes, W. M.	Burchell, R. J.
	Story, W. H.

PAIRS.

Anstey, F.	Watt, W. A.
West, J. E.	Bayley, J. G.
Blakeley, A.	Bowden, E. K.
Catts, J. H.	Chapman, Austin
Riley, E.	Foster, Richard
Fenton, J. E.	Fowler, J. M.
Nicholls, S. R.	Lamond, Hector
Mahony, W. G.	Livingston, J.
Maloney, Dr.	Best, Sir Robert
Mahon, H.	Marks, W. M.
Gabb, J. M.	Groom, L. E.

Question so resolved in the negative.

Amendment negatived.

Clause agreed to.

Clause 17 (National status of married women).

Mr. TUDOR (Yarra) [9.28].—This, I understand, is the clause on which the honorable member for Batman (Mr. Brennan) desires to move an amendment. The Minister (Mr. Poynton) cannot now raise the question of uniformity. We have been hamstrung so far as our decisions are concerned upon all clauses up to clause 16, because, so the Minister tells us, the Government are committed to uniformity with the Imperial Act. At the very last minute we got the information that certain resolutions were agreed to at an Imperial Conference in 1911. This, however, is purely an Australian matter, and if the honorable member for Batman moves his amendment I shall be pleased to support him.

Mr. BRENNAN (Batman) [9.30].—When I raised the question before, it was suggested that my amendment could be more properly moved upon this clause, but I thought it better to get a speedy

decision on the subject when the first definite reference was made in the Bill to persons under this disability. However, as the Committee has already given a decision upon the matter, I do not propose to move any further amendment in this direction. I shall content myself by voting against all clauses which write down the status of women.

Mr. RYAN (West Sydney) [9.32].—I would like to know the attitude of the Minister (Mr. Poynton) now that we have got beyond the clauses upon which he has been arguing for uniformity with legislation elsewhere in the Empire. I would like to know whether he will consider any amendments to clauses after clause 16.

Mr. POYNTON.—Yes, I propose to move two important amendments later on.

Mr. RYAN.—The Minister has told us that the Imperial Conference which decided upon the out-of-date proposals we are now considering was held in 1911, but he did not tell us what resolutions were adopted by that Conference. I would like to know what they were, or, at any rate, what the gist of them was, because the longer we deal with this measure the more I am satisfied that there is nothing in it, and that it has simply been brought forward in order to fill in time?

Clause agreed to.

Clause 18 agreed to.

Clause 19 (Status of Children).

Mr. RYAN (West Sydney) [9.35].—I think the manner in which I submitted my question to the Minister (Mr. Poynton) deserves better than the discourtesy he has shown me. I ask him again: Will he tell me the gist of the resolutions adopted at a Conference as far back as 1911, upon which he is apparently in such a hurry to act now?

Mr. POYNTON.—I have not them with me now, but they were in the direction of securing something like uniformity throughout the Empire in the matter of naturalization.

Clause agreed to.

Clauses 20 to 24 agreed to.

Clause 25—

(1) Any person may make representations to the Minister with regard to any person who has applied or has advertised his intention to apply for naturalization.

(2) The representations shall be in the form of a statutory declaration.

(3) The contents of any statutory declaration filed with the Minister in pursuance of this section shall not be disclosed to any person without the consent of the person making the declaration other than for the purpose of a prosecution for perjury.

Mr. POYNTON (Grey—Minister for Home and Territories) [9.36].—This clause clearly has nothing to do with the question of securing uniform legislation throughout the Empire, but as the powers it bestows are unnecessary, I propose to ask the Committee to strike it out.

Mr. RYAN (West Sydney) [9.37].—If the clause is struck out persons may still make representations to the Minister with regard to others who are applying for naturalization.

Mr. POYNTON.—I do not think that can be prevented. The honorable member will not suggest a provision that no representations be made to the Minister. This clause prevents the disclosure of the contents of any statutory declaration containing representations made to the Minister.

Mr. RYAN.—That provision is made in sub-clause 3, which is certainly objectionable, but the other sub-clauses which require that persons who make representations to a Minister shall make them on oath ought to be retained; otherwise there will be no provision compelling them to do so. On the whole, I think that the clause could very well stand with the deletion of sub-clause 3.

Mr. POYNTON (Grey—Minister for Home and Territories) [9.39].—I have no objection to the retention only of sub-clauses 1 and 2. I move—

That sub-clause 3 be left out.

Amendment agreed to.

Clause, as amended, agreed to.

Clause 26—

Any declaration made under this Act or under any Act hereby repealed, may be proved in any legal proceedings by the production of the original declaration, or of any copy thereof certified to be a true copy by the Governor-General, or by any person authorized by him in that behalf, and the production of the declaration or copy shall be evidence of the person therein named as declarant having made the declaration at the date therein mentioned.

Mr. BRENNAN (Batman) [9.40].—I hope that this clause will be struck out, or, at any rate, certain portions of it.

which are clearly objectionable. The purpose is to allow persons merely to make representations by declaration without having their names disclosed or the credibility of their evidence examined in an open way. It is a continuance of that objectionable, secret, Star-chamber business which came in for so much adverse criticism during the war from honorable members on this side of the House and at public meetings of outraged citizens, and is a practice which, odious in time of war, in times of peace might well be discontinued. Some person, in order to satisfy his own prejudice, or, it may be, malice, or in order to buttress up his own business against that of a rival, may send in a declaration setting out grounds why, in his opinion, a certificate of naturalization should not be granted or should be revoked; and although it may be less objectionable that the declaration should be made on oath rather than in a casual, tittle-tattle manner, still, it is equally desirable that the person making it should be prepared to support it under cross-examination, and come into the light of day. The Minister, or the tribunal which may be formed under this Bill, should have full power to cross-examine him, in order that the public may know who he is, what his motives are, and the sources of his information. It is marvellous what strong declarations some people will make if they are satisfied that their declarations will not be examined, or that they will not be cross-examined as to the truth of what they have stated. During the war this odious system, this throw-back to mediævalism, which was the engine of so much injustice, was very popular with the Minister for Defence (Senator Pearce), who, apparently, not having a scintilla of idea as to what constituted justice, was ready to throw men into prison, and keep them there, on the secret evidence of any person who, actuated by malice, or for any reason, was pleased to decry a fellow man; and it makes one indignant now to be reminded, after the war is gone, of the kind of thing sanctioned by the Government, and especially by the Minister for Defence during the war, except in those cases where members of his own party disciplined him, and made him give a trial to persons whom he was prepared to treat unjustly.

Mr. Brennan.

Mr. CHARLTON (Hunter) [9.45].—I hope that the Minister (Mr. Poynton) will consent to the omission of the clause, or will allow it to be amended in such a way that the person making the declaration must appear before the Court. It would be monstrous to allow a Court of Law to accept as evidence a declaration sent to a Department without submitting the declarant to examination. Such a thing would be altogether contrary to British jurisprudence, and could not be justified. If we continue to follow the lines along which we have been travelling recently, we shall meet with trouble in the near future. When a declaration is made to the effect that an alien who wishes to be naturalized is not entitled to naturalization, or that a naturalized person should be denaturalized, the person making it should be put into the witness-box. During the recent war drastic legislation was passed, both in Australia and elsewhere, giving Governments greater powers than they exercised in normal times; and we seem unable to get out of the groove into which we then fell, our legislation still being based on abnormalities such as arose out of the war. In my opinion, both clauses 25 and 26 should be struck out. I do not approve of these declarations. There are many ways of bringing evidence against persons without allowing declarations to be sent to a Department which are not to be made public. Many persons, if they knew that their names would be published, would not make damaging statements about others; but, with the guarantee of secrecy, some persons have no scruples about taking away the character of others who are probably much better men. Yet it is proposed to give legislative sanction to that sort of thing. When a person is accused, and cannot test the veracity of his accuser by personal examination, great injustice must often be done. On reflection, the Minister should see that clause 26 serves no good purpose.

Mr. POYNTON.—It is purely legal.

Mr. CHARLTON.—Yes; but that does not make it right.

Mr. POYNTON.—The clause merely says that the declaration must be produced; it does not make the declaration evidence.

Mr. CHARLTON.—If a declaration is made, and subsequently, for any reason, the case to which it relates goes before a Court for hearing, it can be produced as evidence, and the person making it need not be put into the witness-box. But why should not any person who makes a declaration aspersing the character of another be put into the witness-box to be tested as to his veracity?

Mr. POYNTON.—The clause merely says that the production of the declaration should be evidence as to the declarant having made it.

Mr. CHARLTON.—The declaration is to be evidence against the person who is before the Court on some charge. Why should it be sent to the Court, unless it is to be taken as evidence? It would have no value otherwise. It is to be put before the Court as evidence against the accused; but neither he nor his counsel will have the opportunity to examine the person who made it.

Mr. POYNTON.—I think you will find the same provision in every Act dealing with declarations.

Mr. JAMES PAGE (Maranoa) [9.52].—If there is one man in the Chamber more than another who would like every one to get British justice, it is the Minister (Mr. Poynton); but if he reads the preceding clause in connexion with that under discussion he will see how unjust is the law proposed in regard to a man applying for naturalization. We cannot forget the evidence on which many Australian-born persons were interned in this country during the war. In the Moreton district several men, as loyal as any in the community, were interned on framed-up evidence, as they have since been able to prove to the satisfaction of their neighbours. I have particularly in mind the case of a man who was interned merely for political reasons. He was a professional man, occupying a high and responsible position in the Moreton district; but, because he got into "holts" with the Conservative candidate, a case was framed up against him. In the first instance, the uniformed police made a thorough investigation, but without result, and then two detectives were employed, who, after they had made an inquiry, reported favorably upon him. Then the authorities procured a couple

of military spies, who soon rigged up a case, and the man was interned, although he was as innocent as I am. Indeed, he had never uttered the things that I have said on the public platform against this Government without being interned. He was taken from his wife and family, and his profession was "cruelled." Under the clause, similar treatment might be meted out to a man applying for naturalization. The Bill does not deal with Germans only, it deals with all aliens, including those whom our friends opposite — the flag-waggers, the band players, the God-save-the-Kingers — spoke of as "our brother Allies." It was suggested that I should be "run in," because of what I had said about the Japanese in Northern Queensland. A detective followed me around to every platform, practically asking me to say something against the Japanese. Several members on this side of the House, including the honorable member for Melbourne Ports (Mr. Mathews) and the honorable member for Cook (Mr. J. H. Catts) were prosecuted; and I say that it is not British fair play if the accuser in a case is not there to be cross-examined. All we ask for is an open Court.

Mr. POYNTON.—The applicant has to make a declaration which is produced in evidence.

Mr. JAMES PAGE.—But the clause speaks of "any declaration," and that covers any declaration made against the man who desires to be naturalized. This means that declarations made in secret may be used as evidence.

Mr. PROWSE.—The clause does not say that the name of the person who makes the declaration shall not be disclosed.

Mr. JAMES PAGE.—Any person may make representations in the form of a statutory declaration. Let me give honorable members a case, as the position strikes me. A person makes an application for naturalization, and, perhaps, some one in the same line of business desires to get a blow in "under the belt." A man may be accused of having uttered disloyal sentiments years ago, and the accusation may be made in secret. This accusation is placed before the Minister, and the poor devil accused knows nothing of the charge made against him. Is that British fair play?

Mr. PROWSE.—Could it not be provided that the name of the accuser shall be disclosed?

Mr. BAMFORD.—It does not follow that, because a declaration is made, naturalization is refused on that ground.

Mr. JAMES PAGE.—We have already passed a clause providing that the granting of a certificate shall be in the absolute discretion of the Governor-General—which means the Minister—and the Minister may, with or without assigning any reason, give or withhold a certificate as he thinks most conducive to the public good. From his decision there is no appeal.

Mr. POYNTON.—That is the law as it stands to-day.

Mr. JAMES PAGE.—Is it British fair play to use secret evidence to, perhaps, damn a man for life? If that is British justice, it is not British justice as I know it.

Sir JOSEPH COOK.—What does the honorable member desire?

Mr. POYNTON.—The honorable member desires to strike this clause out.

Mr. JAMES PAGE.—No; all I want is some safeguard against secret evidence behind some poor devil's back.

Sir JOSEPH COOK.—That seems, fair; but, on the other hand, would the honorable member give any man naturalization?

Mr. JAMES PAGE.—No, I should not.

Sir JOSEPH COOK.—Cannot the honorable member conceive of many cases in which it would not be possible to make public the reasons for refusing naturalization?

Mr. JAMES PAGE.—If I had anything to say against a man, I should go straight to the Minister, give my name, and say it. What is there in naturalization, after all? I do not desire every Jack, Bill, and Tommy to be naturalized, but I do wish to prevent fraud and backstairs influence. I do not object to the clause, but I do object to the wording of it; if a man has anything to say against another, why should not the accused have the right of cross-examination? I know perfectly well that a number of Australians were interned as the result of jealousy and envy, and that they had no chance of defending themselves. I know

four men in the Moreton district, who, even now, would, if they had the power, take their accusers into open Court. Australia is not the place for any Star Chamber business, and I would sooner see this clause rejected altogether.

Mr. POYNTON (Grey—Minister for Home and Territories) [10.2].—The honorable member for Maranoa (Mr. James Page) altogether misunderstands the clause. There is no doubt that the honorable member had some reason to complain of the clause as originally printed, inasmuch as it provided that any one could make representations to the Minister in regard to any person applying for, or advertising his intention to apply for, naturalization. The clause originally provided that these representations should be in the form of a statutory declaration, and that the contents should not be disclosed to any person without the consent of the informant, except in a prosecution for perjury. That part of the clause, however, has been struck out, and the provision is not nearly so stringent as formerly.

Mr. JAMES PAGE.—But there is still the power to make a secret declaration.

Mr. POYNTON.—The clause, as originally drafted, provided that the Minister must not disclose the name of the informant, but that part has been struck out.

Mr. JAMES PAGE.—I know the Minister desires to do the proper thing.

Mr. POYNTON.—There is nothing now to prevent the Minister from producing the man who makes the declaration. All the clause provides for is that the production of the declaration shall be evidence that the person made the declaration.

Mr. CONSIDINE.—What do you put the declaration in at all for?

Mr. POYNTON.—We must have it. Under clause 24 an application for a certificate of naturalization is made by declaration. When I moved the deletion of sub-clause 3 of clause 25 I took all the sting out of the clause, and I do not see what the honorable member for Maranoa and others want further.

Mr. RYAN (West Sydney) [10.6].—Some misapprehension seems to have arisen, accentuated by the Treasurer (Sir Joseph Cook) conducting a conversation

by interjection with the honorable member for Maranoa (Mr. James Page). The Minister (Mr. Poynton) has agreed to the removal of the most objectionable part of clause 25. I am quite willing to admit that some good purpose may be served by clause 26, and for that reason would not like to see it completely struck out, but on its wording it refers both to the declaration in clause 24 and the declaration in clause 25. Under clause 26 the evidence is not only that a declaration was made, but also as to the contents of that declaration, because a true copy may be produced. The declaration is also to be evidence that the person named in it made the declaration, and that the declaration was made on the date mentioned. The form of declaration mentioned in clause 24 has to be made by the person applying for naturalization, and if in subsequent years litigation arises, perhaps by his children claiming to be British subjects, or that their father was naturalized, it may be necessary for them to prove that he made the declaration under clause 24, by the production of the declaration filed by him. Then the contents of that declaration are proven under the provisions of clause 26. A very good purpose is served by clause 26 so far as that declaration is concerned, and to that extent the clause should stand. At the same time there is foundation for the objections so forcibly put by the honorable members for Batman (Mr. Brennan), Hunter (Mr. Charlton), and Maranoa (Mr. James Page). This can be got over by excepting from the operation of clause 26 the declaration referred to in clause 25. Do not make the production evidence of the declaration itself.

Mr. POYNTON.—I cannot agree to that.

Mr. RYAN.—Then I move—

That after the word "repealed" the following words be inserted:—"except a declaration made under the last preceding section."

I cannot exactly see in what legal proceedings a declaration under clause 25 will require to be produced. In fact, I do not think clause 26 was ever intended to apply to the provisions of clause 25. Clause 25 has evidently been put in afterwards. The provisions of clause 26 are apt and appropriate for such formal declarations as a person is required to make when he applies for naturalization. It might later be said that the person never

made a declaration, and his certificate might be challenged. In such a case proof by the production of the declaration is desirable.

Mr. WISE.—What is to be gained by excepting declarations made under clause 25 if they do get into any Court?

Mr. RYAN.—The things that may be declared in that declaration are not formal matters.

Mr. WISE.—All that clause 26 says is that it is evidence of the person named as declarant having made the declaration.

Mr. RYAN.—It proves more than that. It proves the declaration itself. Any copy produced has to be certified to be a true copy. It must be a true copy, because you are proving the declaration itself. Otherwise it would be only necessary to have the name and date copied. The clause says in so many words that you are proving the contents.

Mr. WISE.—Proving a declaration does not prove its contents.

Mr. RYAN.—The clause says, "Any declaration . . . may be proved." It goes on to say, "The production of the declaration or copy shall be evidence of the person therein named as declarant having made the declaration at the date therein mentioned."

Mr. POYNTON.—It proves that he made the declaration.

Mr. RYAN.—First you prove the declaration, and then the production of it is evidence, not only that the person made the declaration, but that he made it on the date therein mentioned.

Mr. HECTOR LAMOND.—In clause 27 the same words are used to imply that the contents are to be proved.

Mr. RYAN.—Of course, it proves the contents. The first part of it makes it evidence of the things contained in the declaration; the second part of it makes it evidence of the time that the declaration was made. Often the time at which a declaration is made is important. For example, where a naturalization certificate was challenged, it would be important to prove that the declaration was made before the date in the certificate, because the applicant is required to make the declaration before. Under clause 24, it is provided that he "shall produce in support of his application his own statutory declaration." I, therefore, contend

that the clause means that the production of the declaration, or a true copy thereof, proves not only the contents, but also the date. It would be very dangerous to allow things to be proved such as may be declared under clause 25. We do not know what may be the representations made under that clause; but we know the matters that may be declared under clause 24. That clause deals with very formal matters. Under it, the applicant is to declare his name, age, birthplace, occupation, and residence, the length of his residence in the British Empire, or the period within the eight years preceeding the date of his application during which he has been in the service of the Crown. All these are simple, straightforward matters, to which he has to declare; but we cannot say what sort of representations might be made under clause 26. They might be such as were referred to by the honorable member for Maranoa (Mr. Page), the honorable member for Hunter (Mr. Charlton), and the honorable member for Batman (Mr. Brennan); but I think that with this amendment the objection will be overcome.

Question—That the words proposed to be inserted be so inserted—put. The Committee divided.

Ayes	14
Noes	26
Majority	12

AYES.

Brennan, F.	Page, James
Charlton, M.	Ryan, T. J.
Considine, M. P.	Tudor, F. G.
Cunningham, L. L.	Wienholt, A.
Lamond, Hector	
Lavelle, T. J.	<i>Tellers:</i>
Mathews, J.	Lazzarini, H. P.
McWilliams, W. J.	Watkins, D.

NOES.

Bamford, F. W.	Jowett, E.
Bell, G. J.	Lister, J. H.
Blundell, R. P.	Mackay, G. H.
Bruce, S. M.	Marr, C. W. C.
Cameron, D. C.	Poynton, A.
Cook, Sir Joseph	Prowse, J. H.
Cook, Robert	Rodgers, A. S.
Corser, E. B. C.	Ryrie, Sir Granville
Fleming, W. M.	Smith, Laird
Francis, F. H.	Wise, G. H.
Gibson, W. G.	
Greene, W. M.	<i>Tellers:</i>
Gregory, H.	Burchell, R. J.
Jackson, D. S.	Story, W. H.

PAIRS.

Anstey, F.	Watt, W. A.
West, J. E.	Bayley, J. G.
Blakeley, A.	Bowden, E. K.
Catts, J. H.	Chapman, Austin
Riley, E.	Foster, Richard
Fenton, J. E.	Fowler, J. M.
Nicholls, S. R.	Atkinson, L.
Mahony, W. G.	Livingston, J.
McGrath, D. C.	Hay, A.
Maloney, Dr.	Best, Sir Robert
Mahon, H.	Marks, W. M.
Gabb, J. M.	Groom, L. E.
Makin, N. J. O.	Hughes, W. M.
Moloney, Parker	Higgs, W. G.

Question so resolved in the negative.

Amendment negatived.

Mr. CHARLTON (Hunter) [10.24].—I desire to move a further amendment, which I hope the Minister (Mr. Poynton) will accept. The honorable gentleman has contended that the production of the declaration referred to is not to be evidence against the person making that declaration. Our interpretation of the clause is that it is designed to provide evidence, and, that being so, that it must be evidence against the person concerned. There can be no getting away from that position; but if the Minister's contention is correct, he should be able to accept, without further discussion, the amendment that I propose to submit. I move—

That the following words be added:—"Provided that the person affected by such declaration will be entitled to publicly examine and cross-examine the declarant before such declaration is acted upon by the Minister."

It is only British fair play that any person against whom evidence, in the form of a declaration, is tendered should have the right to test that evidence. The person against whom a charge is made ought to have the right to cross-examine the declarant. Otherwise he will not be afforded a fair chance of establishing his innocence. Every man should be given the fullest opportunity of proving his innocence in respect of any charge which may be laid against him. Anybody who has attended Court knows that very frequently a Judge is impressed by the demeanour of a witness. Upon many occasions I have been so impressed in dealing with arbitration matters.

Mr. POYNTON.—Suppose that the man who made the declaration is dead. How can he be called?

Mr. CHARLTON.—The alternative is that the declaration of a dead man against any person, ought not to be used.

Mr. POYNTON.—This clause deals with all declarations made under the Bill.

Mr. CHARLTON.—My proviso will enable the clause to deal with all declarations made under the Bill. It merely affirms that in any case arising out of those declarations which comes before the Court for inquiry the declarant shall appear in Court for the purpose of examination.

Mr. POYNTON.—To pacify the honorable member I will agree to the amendment.

Amendment agreed to.

Clause, as amended, agreed to.

Clauses 27 to 32 agreed to.

Clause 33—

(1.) Where the Governor-General is satisfied that it is desirable for any reason that a certificate or letters of naturalization, issued under the Act repealed by this Act or under any State Act, should be revoked or amended, he may revoke or amend the certificate or letters of naturalization.

(3.) Any certificate or letter of naturalization amended in pursuance of this section shall upon amendment be, and be taken to have been, of effect as so amended.

(4.) The Governor-General may, by order, declare that any person who became naturalized by virtue of the issue of a certificate or letters of naturalization under the Act hereby repealed or under any State Act (not being the person to whom the certificate or letters of naturalization were issued) shall cease to be a British subject, and that person shall thereupon become an alien and shall be regarded as a subject of the State to which he belonged at the time of the issue of the certificate or letters.

Mr. POYNTON (Grey—Minister for Home and Territories) [10.31].—I desire to make the power of revocation under this clause similar to that which obtains under clause 12. I therefore move—

That in sub-clause 1 the words “revoked or amended, he may revoke or” be omitted with a view to insert in lieu thereof the words “amended; he may.”

Mr. WIENHOLT.—I should like to hear what the Minister has to say in regard to the amendment.

Mr. POYNTON.—Only the other day the honorable member for West Sydney (Mr. Ryan) produced a certificate of naturalization, and informed me that the person to whom it had been granted,

alleged that his age and birthplace as set out therein, were incorrect. The honorable member desired me to rectify the mistake. But I had no power to do that. Under this amendment I shall have that power. The second portion of the amendment is intended to make any revocation of a State certificate dependent upon the decision of a Court of inquiry presided over by a Judge.

Amendment agreed to.

Amendment (by Mr. POYNTON) agreed to—

That sub-clauses 2 and 4 be omitted.

Clause, as amended, agreed to.

Clause 34—

(1) The wife of any person whose certificate or letters of naturalization have been revoked in pursuance of the last preceding section, may, within six months after the date of the order of revocation, make a declaration of alienage, and, on making that declaration, she, and any minor children of her husband and herself who have acquired British nationality by virtue of the issue of the certificate or letters of naturalization, shall cease to be British subjects and shall become aliens.

(2) The minor child of any person whose certificate or letters of naturalization have been revoked in pursuance of the last preceding section may, within six months after attaining the age of twenty-one years, make a declaration of alienage, and thereupon he shall cease to be a British subject and shall become an alien.

Mr. GREGORY (Dampier) [10.34].—Ought not the word “revoked” in this clause to be struck out so as to make the provision agree with the previous clause, which gives the Minister power to amend letters of naturalization?

Amendment (by Mr. POYNTON) agreed to—

That the words “in pursuance of the last preceding section,” twice occurring, be left out.

Clause, as amended, agreed to.

Clause agreed to.

Amendment (by Mr. POYNTON) agreed to—

That the following new clause be inserted:—

13A. For the purposes of the last two preceding sections “certificate of naturalization” includes a certificate of naturalization issued under the Act repealed by this Act or under any State Act.

First Schedule (Part II. of the British Nationality and Status of Aliens Act 1914).

Mr. CHARLTON (Hunter) [10.39].—
I desire here to give effect to the ideas which I propounded on Friday last, namely, that there should be a certificate of naturalization specifically in respect of Australia, and for which a person would become qualified upon two years' residence. I move—

That, in clause 2, sub-clause 1, the following new paragraph be inserted:—

(aa) "that he has resided in Australia for a period of not less than two years, such certificate to confer on him all political and other rights, powers, and privileges enjoyed by citizens of Australia."

My sole desire is to secure an alternative certificate, so far as residents in Australia are concerned, so that they can be placed upon the same footing as they were prior to the passing of this measure.

The **CHAIRMAN** (**Hon. J. M. Chanter**).—The Committee, by agreeing to clause 16, has already adopted the first schedule, which I have now put *pro formâ*. I cannot, therefore, accept the amendment.

First schedule agreed to.

Second and third schedules, and title agreed to.

Bill reported with amendments.

Standing Orders suspended; report adopted.

Bill read a third time.

PAPERS.

The following papers were presented:—

Defence Act—Regulations Amended—Statutory Rules 1920, Nos. 178, 179, 180.

Public Service Act—Appointments and Promotions—

A. Dunn, Department of the Treasury.

F. C. Lindsay, Attorney-General's Department.

HOOR OF MEETING.

Sir JOSEPH COOK (Parramatta—Treasurer) [10.45].—To give effect to the understanding arrived at last week, I move—

That the House, at its rising, adjourn until 11 a.m. to-morrow.

Question resolved in the affirmative.

House adjourned at 10.46 p.m.

Senate.

Thursday, 4 November, 1920.

The **PRESIDENT** (Senator the **Hon. T. Givens**) took the chair at 3 p.m., and read prayers.

IMPORTATION OF GERMAN BIBLES.

Senator **BENNY** asked the Minister representing the Minister for Trade and Customs, upon notice—

1. Whether it is a fact that the Government have granted permission to the German Lutheran Synod to import German bibles, and have refused to grant similar privileges to the British and Foreign Bible Society?

2. If so, on what grounds is such a loyal society as the British and Foreign Bible Society deprived of privileges which are accorded to it in every other part of the British Empire?

Senator **RUSSELL**.—The answer is—

As it was not considered desirable that free importation of religious literature in the German tongue should be permitted for use in Sunday schools and amongst the younger members of German communities, and as it was recognised that certain importation was necessary to meet the requirements of the older German residents, it was decided to control the supplies coming to Australia. The German Lutheran Synod was chosen as the channel through which this control should be exercised because—

- (1) No other body could supply the bulk of the religious literature required by the German community;
- (2) Because the English translation of the authorized version of the Scriptures is not that ordinarily used by Germans in Australia.

AIR NAVIGATION BILL.

Motion (by Senator **PEARCE**) agreed to—

That leave be given to bring in a Bill for an Act relating to Air Navigation.

Bill presented, and read a first time.

QUARANTINE BILL.

In Committee (Consideration of message of House of Representatives):

Clause 22 (Liability of owner or agent for expenses of quarantine).

House of Representatives' Amendment.—Add the following proviso:—"Provided that the Governor-General may direct that, as regards any vessel trading exclusively between Australian ports, or Australia and New Zealand

or Fiji, or other places adjacent to Australia, the expenses of carrying out any responsibility under this section shall be borne by the Commonwealth; and, upon the issue of such direction, the master, owner, or agent of any vessel to which the direction relates shall be exempt from liability for the expenses of carrying out that responsibility.

“Provided further that the Governor-General may direct that the expenses of overland passengers arising out of quarantine regulations may be borne by the Commonwealth.”

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [3.7].—In moving—

That the amendment be agreed to,

I would point out that the Bill, in the form in which it left this Chamber, placed upon the ship-owner or ship agent the responsibility of paying all quarantine expenses involved in the event of an outbreak of epidemic disease upon his vessel. The amendment recommends the adoption of a fairer course. Under normal conditions, the ship-owners and ship agents will be liable for the expenses incurred in quarantine by their passengers and crews; but in the event of a national outbreak of disease, such as the recent influenza epidemic, the Commonwealth will shoulder this burden.

Senator R. STORRIE GUTHRIE.—The ship-owners never bore it. They passed it on to the passengers.

Senator RUSSELL.—But under this Bill it was proposed to make them solely responsible. Now, however, the other branch of the Legislature has inserted an amendment with which the Government are in perfect agreement. In connexion with the influenza epidemic, it will be recalled that, owing to lack of proper precautionary measures by the States, chaotic conditions resulted. We desire to possess the requisite power to prevent the spread of any such epidemic throughout Australia. That power will be used with discretion for the purpose of protecting the citizens of the Commonwealth.

Senator EARLE (Tasmania) [3.11].—One does not score too many victories in his advocacy of various principles, and consequently I rejoice that this amendment has been made by another place. Upon a previous occasion, I stressed the danger in which the isolated portions of the Commonwealth stand, in the event of

such an epidemic recurring as that from which we suffered a little time ago. There was every indication that the experience of the shipping companies upon that occasion would lead them to tie up their vessels at our wharfs rather than incur the risk of being called upon to support in quarantine a considerable number of passengers, to pay the wages of their crews, and also the cost of maintaining their vessels.

Upon the 13th October last, I quoted a paragraph from the report of the Select Committee appointed to inquire into the oversea carriage of goods, in which it is stated that one company trading to Tasmania lost upon a single trip during that epidemic, £1,162. Obviously, if such an epidemic recurred, our shipping companies would not be disposed to carry on a service between Tasmania and the mainland, or, indeed, between our chief ports and those parts of the Commonwealth which have no railway communication, and which are therefore dependent upon water carriage. Apart from the equity of the amendment, the Government have taken a wise step in endeavouring to avoid what would be a calamity to various portions of the Commonwealth in the event of another epidemic of disease visiting our shores. I have pleasure, therefore, in supporting the motion.

Question resolved in the affirmative.

Resolution reported; report adopted.

NATIONALITY BILL.

Bill returned from the House of Representatives with amendments.

Standing and Sessional Orders suspended.

CUSTOMS BILL.

SECOND READING.

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [3.18].—I move—

That this Bill be now read a second time.

As it is largely a Bill for Committee, being technical in character, I intend to deal only with its general principles at the second-reading stage, but in Committee will be prepared to reply to any

questions directed at any particular clause of the measure. It is too complicated to permit me, at this stage, to enter into details. I need hardly remind honorable senators of the chaotic condition of the world's exchanges, and the problems which they present, as a result of the recent war. Things to-day are not what they seem. Currency, as we understand it, quite apart from values, is not what it is represented to be. There has been a very heavy increase in the cost of living throughout the world, due to the partial cessation of production in all the countries that were at war; and we now find that, as a result of this dislocation of industry, exchange rates vary from $\frac{1}{2}$ per cent. in the more favoured countries to about 628 per cent. against Poland. The desire of Australia, as expressed in recent legislation, is to give adequate protection to the industries of this country, preference to Great Britain, and, as far as possible, sympathetic treatment to our Allies in the late war; but, owing to the peculiar movement of the exchange position, Great Britain, in many cases, is not in the enjoyment of the preference given to her under the existing Tariff as against countries like the United States of America and Japan; and France, our principal Ally in the late war, is heavily penalized. I do not wish to go into the details of the currency position of all the principal countries of the world, but I should like to give a comparative table of the mintage par rate and the bank rate of the following countries:—

	Mint Par Rate.	Current Bank Rate.
France ..	25.225	52.85
Italy ..	25.225	89.00
Belgium ..	25.225	47.30
Greece ..	25.225	34.70
Norway ..	18.159	24.85
Denmark ..	18.159	24.60
Finland ..	25.207	138.00
Poland ..	20.43	670.00
Czecho-Slovakia	24.02	180.00

This is a good illustration of the chaotic condition of the world's currency. We do not propose to lay down in this Bill an all-embracing rule. That cannot be done. It is our desire, if possible, to adjust the position as between Australia and other countries. At present, France is in a very disadvantageous position compared with America and Japan; so

Senator Russell.

much so, that it has been stated that goods in bond from that country will not be landed for use or consumption in the Commonwealth unless the adverse exchange position is met by some satisfactory arrangement such as is suggested in this measure. Our desire is to assist France, as far as possible, and without working any injury to our own manufacturers, in order that she may rehabilitate herself in a commercial and manufacturing sense. The Bill gives power to the Minister for Customs to refer to the Board of Trade the method by which Customs duties shall be calculated, whether upon the mint par rate of exchange, or the bank rate of exchange. It provides that if the bank rate of exchange is more than 10 per cent. above or 10 per cent. below the mint par rate, the Minister shall refer to the Board the question whether the bank rate of exchange shall be used as the basis for the computation of value for duty on goods imported. The intention is not to alter the basis of computation merely for the sake of making an alteration, but to adjust the duty charges on an equitable basis, and thus to give expression to the declared intention of Parliament. I have here another comparative table showing the current bank rate and the mint par rate, based on the £1 sterling value; and I have no doubt that it will be of interest to honorable senators—

	Current rate. £1 sterling.	Par rate.
America ..	3.43 dollars...	4.86 above
Canada ..	3.79 dollars ..	4.86 above
France ..	52.85 francs ..	25.225 below
Italy ..	89.00 lire ..	25.225 below
Spain ..	24.12 pesetas ..	25.225 above
Switzerland ..	21.67 francs ..	25.225 above
Greece ..	34.70 drachmas	25.225 below
Holland ..	11.11 gulden ..	12.107 below
Sweden ..	17.28 kronor ..	18.159 below
Norway ..	24.85 kronor ..	18.159 below
Denmark ..	24.60 kronor ..	18.159 below
Germany ..	242.00 marks ..	20.43 below
Finland ..	138.00 marks ..	25.207 below
Batavia ..	11.40 gulden ..	12.107 below
Indian Rupee (telegraphic)	1s. 7 $\frac{1}{2}$ d. ..	3 months sight rate, 1s. 8 $\frac{1}{2}$ d above
Hongkong dollar	3s. 10 $\frac{1}{2}$ d.	
Singapore dollar	2s. 3 $\frac{1}{2}$ d.	

The industrial condition of the respective countries due to the dislocation of

the industries following upon their difficulty in obtaining raw material to carry on normal activities appears to be fairly accurately reflected in the condition of these exchanges, and it is our desire, as far as possible, to remove hardships at present imposed upon our Allies in the late war, and generally to give effect to the intention of Parliament in our relationship with those countries, while, at the same time, extending a fair measure of protection to our own industries. The Board of Trade to which reference for the computation of duty will be made in certain circumstances will have the full powers of a Royal Commission to ascertain the facts. We cannot look for a rapid return to normal conditions, but I have no doubt that, in the course of time, as the nations of the world settle down to business again, the position will eventually right itself. Great Britain is more highly developed commercially and industrially, and, therefore, is in a better position to meet the present difficulty, but if a big country like Great Britain, with its large population, found it necessary to take action, it must be self-evident to honorable senators that in little, struggling Australia such protection must also be given. The matter is affecting Australia very largely, and is also affecting France, and not to the mutual satisfaction of any of us. I trust that honorable senators will give the Bill that consideration which it deserves as an attempt to meet a national difficulty.

Senator DRAKE-BROCKMAN (Western Australia) [3.32].—The Minister (Senator Russell), in introducing this Bill, has made a number of very general remarks, most of which are based on the assumption that the interpretation of the law by the Minister for Trade and Customs (Mr. Greene) is the correct one. My humble opinion is that the Minister for Trade and Customs is wrong. I understand that the question is being decided in the High Court, and that a judgment will be delivered to-morrow touching the majority of the provisions of this Bill. I suggest, therefore, that it is advisable, in order that senators may be fully informed as to what actually is the law, that this debate should stand over until to-morrow. With that object in view, I ask leave to continue my remarks at a later stage.

Leave granted; debate adjourned.

TREATY OF PEACE (GERMANY) BILL.

Consideration resumed from 3rd November (*vide* page 6114) of motion by Senator PEARCE—

That this Bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment.

TREATIES OF PEACE (AUSTRIA AND BULGARIA) BILL.

Debate resumed from 3rd November (*vide* page 6114), on motion by Senator PEARCE—

That this Bill be now read a second time.

Senator DE LARGIE (Western Australia) [3.34].—This is not a measure upon which a great deal may be said, further than that it is much more satisfactory and cheerful to be making peace than making war. We are glad to have an opportunity to pass a measure of this kind after such a long term of the opposite condition of affairs. Bulgaria was not one of those countries with which we were brought closely in contact, although it has figured very much in the world's affairs, like most of the other Balkan States. Those countries, although they may be small, seem to have the knack of making considerable trouble and tremendous noise in the world. Bulgaria undoubtedly acted very unfairly to the rest of the world in taking sides with Germany as it did, and especially with Turkey, the country which inflicted those unspeakable atrocities on her not so very many years before. Bulgaria soon forgot the services rendered to her by Gladstone, when he roused the civilized world in Bulgaria's favour and against Turkey. It is satisfactory for the Senate to have a measure of this kind before it, so that it may put the hallmark of its approval upon the peace which was arrived at some considerable time ago.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment.

Senate adjourned at 3.40 p.m.

House of Representatives.

Thursday, 4 November, 1920.

Mr. SPEAKER (Hon. Sir Elliot Johnson) took the chair at 11 a.m. and read prayers.

GERMAN BARQUE *ATHENE*.

Mr. TUDOR (for Mr. WATKINS) asked the Attorney-General, *upon notice*—

1. On what date was the German barque *Athene* taken possession of under the instructions of the Marshal of the Supreme Court of the State of New South Wales?

2. Is it a fact that claims were made by persons entitled to payment for work done to the barque *Athene* to the Prize Court presided over by the Chief Justice of the Supreme Court of New South Wales on the 31st March, 1915?

3. Have these claims been satisfied?

4. If not, will he see that these claims are liquidated without delay, considering that it is now five years and seven months since the Prize Court dealt with the claims of persons entitled to payment?

Mr. GROOM.—The answers to the honorable member's questions are as follow:—

1. The barque *Athene* was formally seized in Sydney Harbour on the 5th August, 1914. Necessary steps were taken in Prize Court, and order for detention made 7th October, 1914.

2. Yes.

3. No.

4. Claims cannot be adjusted until final orders are made.

LAND RADIO OPERATORS.

Mr. BURCHELL (for Mr. MARR) asked the Postmaster-General, *upon notice*—

1. Is it a fact that, in connexion with the transfer of the officers of the Government Land Radio Stations from the Department of the Navy to the Department of the Postmaster-General, the following injustices have occurred:—(a) That permanent officers of the Commonwealth Public Service (previous to their transfer to the Department of the Navy for war service) find themselves transferred back to the Public Service without their former status, thereby being reduced from the Professional class of the Service to the Clerical; (b) that increments of salary earned by them under the Department of the Navy, and due from July last, have not been paid by the Navy, and that the Commissioner for the Public Service has ignored the same

when assessing their present salaries: (c) that officers have been reduced in salary as much as £29 per annum, in addition to their £12 annual increment, making their total reduction £41 per annum?

2. Is it a fact that the officers, who are all members of the Radio Telegraphists Institute of Australasia, instructed their Secretary to ask the Public Service Commissioner to allow them representation when the details of the transfer were being considered, in order to prevent injustice?

3. If so, why was this request refused?

4. Is it a fact that the Public Service Commissioner acknowledged recently, through his representative in the Arbitration Court, that these officers were "professional engineering men"?

5. If so, why have these men been deprived of their status?

6. As these officers have received no war bonus, repatriation benefits, or recognition of any sort for their services at a time of great national danger, will the Government at this late hour, in recognition of this service and in view of the treatment now meted out to them, appoint a special tribunal to inquire into their case at once with their official representative?

Mr. WISE.—Inquiries are being made and replies will be furnished as soon as possible.

AUSTRALIAN IMPERIAL FORCE.

PROMOTION OF NURSES—MEMORIAL AT SUEZ CANAL.

Mr. LISTER asked the Minister representing the Minister for Defence, *upon notice*—

1. Whether any definite decision has been arrived at regarding the claims in relation to deferred promotion of those nursing sisters who left Australia in 1915-16?

2. If so, what is the result of the Cabinet's consideration?

3. If the question is not finally decided, when is it likely to be?

Mr. LAIRD SMITH (for Sir GRANVILLE RYRIE).—The answers to the honorable member's questions are as follow:—

1. Yes.

2. The Cabinet has now approved that the regulation which provides for the promotion of Staff Nurses after two years' satisfactory service shall be amended by deletion of the provision which limits promotions to a date not earlier than 25th September, 1918. Nurses who had completed two years' satisfactory service before such date will be promoted accordingly. This will also apply to masseuses.

Mr. RYAN asked the Minister representing the Minister for Defence, *upon notice*—

1. Were not contributions collected from members of the Australian Imperial Force to raise a monument on the Suez Canal to fallen soldiers?

2. If so, what has been done with the amount so collected?

Sir GRANVILLE RYRIE.—Members of the Australian and New Zealand mounted troops in the Middle East have raised a sum of some £5,400 for the purposes of a memorial to fallen comrades, proposed to be erected at Port Said. The Department of Defence has the present custody of the funds, on behalf of the committee which conducted the movement, and is, at their instance, considering the question of inviting competitive designs for the memorial.

DEPORTATION OF DR. HIRSCHFELD AND DR. HERZ.

Mr. LAVELLE (for Mr. CUNNINGHAM) asked the Prime Minister, *upon notice*—

Will he inform the House whether Dr. Hirschfeld and Dr. Herz have yet been deported from Australia; and, if so, by what vessels and on what dates?

Mr. HUGHES.—Dr. Hirschfeld was deported per s.s. *Jacatra*, which left Fremantle on 6th October, 1920. The question as to whether Dr. Herz should be deported from Australia is now under consideration.

SHIPPING AGREEMENT.

Mr. MAKIN asked the Minister controlling Shipbuilding, *upon notice*—

1. Whether the shipbuilding agreement has been finalized?

2. If so, will the Minister lay the agreement on the table of the House?

Mr. HUGHES.—The answers to the honorable member's questions are as follows:—

1. No.

2. See reply to No. 1.

COMMONWEALTH LOANS.

TAXATION.

Mr. MAKIN asked the Treasurer, *upon notice*—

What Commonwealth loans are free from Commonwealth taxation?

Sir JOSEPH COOK.—The answer to the honorable member's question is as follows:—

Interest in respect of all 4½ per cent. War Loans and in respect of War Savings Certificates is free from Commonwealth Income Tax.

All bonds and transfers of stock in connexion with all Commonwealth War and Peace Loans are free from Commonwealth stamp duty.

INTER-STATE COMMISSION BILL.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [11.7].—*I move*—

That leave be given to bring in a Bill for an Act to amend the Inter-State Commission Act 1912.

Mr. RYAN.—It would be of great assistance to honorable members if the Minister, when moving motions of this kind, were to say briefly what the measures to which they referred propose to cover.

Mr. GROOM.—In this case I propose to introduce a Bill of one clause to repeal the sections of the Inter-State Commission Act which were held by the High Court in the Wheat case to be invalid, and to provide for the Commission making certain declarations.

Question resolved in the affirmative.

Bill presented, and read a first time.

COMMONWEALTH COURT OF COMMERCE BILL.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [11.8].—*I move*—

That leave be given to bring in a Bill for an Act to constitute a Commonwealth Court of Commerce and for other purposes.

I now ask leave to introduce a Bill which should be read in conjunction with that just presented. The High Court held that Part V. of the Inter-State Commission Act was invalid, because under section 101 of the Constitution this Parliament could not vest judicial power in that body. This Bill is to enable Parliament to create a Commerce Court, which will exercise the judicial powers which were thought to be vested in the Inter-State Commission.

Mr. TUDOR.—If the High Court says that Parliament cannot vest the Commission with judicial power, how can that be done?

Mr. GROOM.—I shall be prepared to argue that question at a later stage. The Bill provides for the setting up of a

Court which will consist of the President assisted by two assessors.

Mr. RYAN.—Is the President of the Court to be the President of the Inter-State Commission?

Mr. GROOM.—Yes. This Court, as a Court of Commerce, will exercise the judicial power originally thought to be vested in the Inter-State Commission.

Mr. TUDOR.—Will the two assessors be the remaining two members of the Inter-State Commission?

Mr. GROOM.—Yes. They will sit with the President when he requires their assistance. In 1918, a resolution was passed by the Associated Chambers of Commerce of Australia affirming "that it is desirable that the Inter-State Commission Act be amended in such a way as to give the Inter-State Commission a sphere of greater usefulness more in keeping with its cost to the community." Generally speaking, that is the object of the Bill which I now desire to introduce.

Mr. BAMFORD (Herbert) [11.11].—I have previously voiced, both here and elsewhere, my objection to the continuance of the Inter-State Commission. It is the most useless body that was ever created by this Parliament. The Minister for Works and Railways (Mr. Groom) cannot point to one useful act which it has performed since its inception. The first inquiry it conducted was an inquiry into the question of the need which existed for Tariff revision. It made certain recommendations in that connexion, but, so far as my memory serves me, not one of those recommendations was indorsed by this House.

Mr. TUDOR.—The House has never considered the revision of the Tariff since the Commission submitted its report.

Mr. BAMFORD.—I am speaking of what took place before the outbreak of war. It is a fact that one of the members of the Commission became so dissatisfied with its work and so impressed with its uselessness that he tendered his resignation—I refer to Mr. Swinburne. Subsequently other work was given to the Commission in order to keep it going. For instance, it inquired into the question of the Murray waters. But what did it do there? We knew everything that had been done in connexion with

the Murray waters scheme prior to the Inter-State Commission dealing with the matter. I am therefore entirely opposed to the continuance of the Commission, and suggest that we ought to repeal the Act under which it was constituted instead of attempting to amend it.

Mr. TUDOR (Yarra) [11.13].—I understand that the Inter-State Commission is not in existence at the present time. The Act under which it was appointed has lapsed.

Mr. GROOM.—Its members were appointed for a period of seven years. That time has expired, and no fresh appointments have been made.

Mr. TUDOR.—I do not agree with the honorable member for Herbert (Mr. Bamford) that the whole of the work done by the Commission has been useless.

Mr. JAMES PAGE.—Will the Minister tell us one good thing that the Commission has ever done?

Mr. TUDOR.—I think that the money which has been expended upon the Inter-State Commission has been quite as wisely spent as have other moneys which have been authorized by this Parliament. When the results of the expenditure upon the Commission are compared with the results of our expenditure upon ship-building the Commission comes out an easy winner. The Commission was not appointed until about the end of 1913. It began its inquiry into the need for Tariff revision prior to the outbreak of war, and soon after I submitted a Tariff schedule to this House which has never yet been considered.

Sir JOSEPH COOK.—You tyrant! You autocrat!

Mr. TUDOR.—I was anxious, as honorable members opposite know, that that schedule should be considered.

Mr. JAMES PAGE.—The honorable member knows the reason why it was not considered.

Mr. TUDOR.—Yes; the reason was that the war was in progress, and Japan was one of our Allies.

Mr. JAMES PAGE.—And the Imperial Government asked the Commonwealth Government of that day not to proceed with it.

Mr. TUDOR.—No. The Imperial Government asked us to postpone the consideration of the Navigation Bill. Some

persons, however, were afraid of giving offence to Japan.

Sir JOSEPH COOK.—The only reason why the Tariff was not then considered was that the honorable member, who was then Minister for Trade and Customs, would not allow Parliament to consider it.

Mr. TUDOR.—No. In those days the Opposition cry was, "Postpone the consideration of the Tariff and let us get home." Had the Tariff been considered in the light of the evidence which was tendered to the Inter-State Commission, the reports of that body would have been most valuable. But they will not be as valuable to-day, because seven years have elapsed since then. At that time our manufacturers declared that they would not give certain information to a Labour Minister, but they were prepared to give it to an outside body. In that way they would doubtless be able to conceal a lot of the profits which they had made, and in respect of which they refused to give information to the Minister. I believe that the Inter-State Commission has done good work, and I cannot support the suggestion of the honorable member for Herbert (Mr. Bamford) that it should be wiped out of existence. Regarding the establishment of the proposed Court of Commerce, I have quite an open mind, and am prepared to consider the matter upon its merits.

Sir ROBERT BEST (Kooyong) [11.16].—I do not desire to be so ungracious as to prevent the introduction of this Bill. But I am distinctly opposed to the continuance of the Inter-State Commission and to the creation of a Court of Commerce. I am not prepared to go as far as the honorable member for Herbert in regard to the work of the Commission, and certainly I have no desire to reflect upon its *personnel*. In my opinion, we were fortunate, when it was constituted, in securing the services of capable men upon it. They did excellent work in inquiring into the need for Tariff revision, and they supplied us with much valuable information in that connexion. But, as the Leader of the Opposition (Mr. Tudor) has suggested, that information is now completely out of date, because of the war which has since occurred, and because of the time which has

elapsed since it was collated. Speaking generally, however, I think that the time is a most opportune one for us to relieve ourselves of some of the governmental machinery which, to my mind, is unnecessary. No useful function is being discharged at the present time by the Inter-State Commission. Two of its members have resigned, and, therefore, only the Chairman remains to be considered, and properly treated. Consequently the present is a particularly opportune time to abolish the Commission entirely. I am one of those who originally supported its creation, but in view of our past experience, of the requirements of the future, and of the imperative need which exists for the exercise of the strictest economy, I think that the time has now arrived when we should dispense with this particular branch of governmental machinery. No section of the community will suffer by its abolition. Of course, the Minister for Works and Railways (Mr. Groom) has a perfect right to introduce the Bill dealing with this matter, so as to enable honorable members to judge it upon its merits. But if, as I understand, the object of the measure is to confer upon the Inter-State Commission certain judicial powers, I am opposed to it from beginning to end. I am also entirely opposed to the continuance of the Commission. Furthermore, I protest strongly against the creation of the proposed Court of Commerce.

Mr. RYAN.—What commerce could it deal with?

Sir ROBERT BEST.—That is a perfect mystery to me; but, at most, it could deal only with questions affecting Inter-State trade and commerce. The point I wish to emphasize is that no one has asked for the creation of this Court of Commerce, and I defy the Minister (Mr. Groom) to prove any valuable purpose it can serve. There is no lack of tribunals to fulfil the functions which it has been suggested this proposed Court will undertake. Chambers of Commerce have within their own ambit certain tribunals for the purpose of dealing with matters essentially of a commercial character, which can be settled by resort to arbitration, and where they cannot adjust their differences between themselves in that way they go to the ordinary law Courts. And they will continue to do this. They

express no desire to resort to any intermediate Court such as it is now proposed to create. If the purpose be to secure special expert knowledge in commercial matters, I would point out that the Chambers of Commerce have their own expert tribunals. If this Court is to be created for the purpose of interpreting the law, and for the legal adjustment of differences that may arise in trading and commercial transactions, here again I would point out that trading firms will inevitably refer their differences to the ordinary legal tribunals. The Minister has made an unfortunate reference to the fact that a little time ago the Chambers of Commerce passed a resolution in favour of the creation of a Court of the kind suggested, quite overlooking the fact that, in view of their more recent experience, they subsequently passed a resolution protesting strongly against the creation of such a tribunal as is now proposed. When the Minister appeals to Chambers of Commerce for guidance or for an expression of their views upon the matter, he ought to quote their latest resolution, and not one which is completely out of date. There is no justification for the creation of a Court of Commerce. In any case, if appointed it will be a surplus tribunal for the creation of which no one has asked.

Mr. JAMES PAGE.—But the Government must do something to keep the House occupied.

Sir ROBERT BEST.—But the House could be more usefully employed upon other work.

Sir JOSEPH COOK.—Would it not be wise for the honorable member to wait to hear what the Government do propose in this direction?

Sir ROBERT BEST.—The Minister has already given us sufficient information to enable us to understand exactly the purpose of these two measures. If the object of the Ministry is to provide the House with work, it would be a very good idea to devote a fortnight to the consideration of the Tariff, and thus get rid of the main speeches on the first item. Apart from that, however, it is only fair to the Government that I should inform them that I shall take every opportunity of opposing these measures. I would go further, and say at once that if possible a Bill should

be introduced to repeal the Inter-State Commission Act.

Sir JOSEPH COOK.—The honorable member does not know what are the measures proposed, but he is "agin" them.

Sir ROBERT BEST.—If I can rely on the statement made by the Minister (Mr. Groom) I know what these measures contain, and as he has informed us that one object is to endow the Inter-State Commission with judicial powers, I am taking this opportunity of telling him that I am opposed to doing so, and, in fact, am quite against allowing the Commission to continue to exist.

Mr. RYAN.—Would the honorable member be prepared to submit an amendment to abolish the Commission?

Sir ROBERT BEST.—No. As I said at the outset of my remarks, it would be ungracious to refuse the Government permission to introduce these Bills. They ought to be introduced so that honorable members may have the opportunity of dealing with them on their merits, but now that the fundamental principles underlying these proposals have been outlined to us, I think it is only fair that I should indicate what my attitude is in regard to them.

Mr. JAMES PAGE (Maranoa) [11.27].—Politics are peculiar. The whirligig of time has brought our "brother's" chickens home to roost. There was no more ardent advocate of the establishment of the Inter-State Commission than the honorable member for Kooyong (Sir Robert Best). The whirligig of time has also brought us strange bed-fellows in this Chamber. We have another "brand from the burning."

Sir ROBERT BEST.—Hallelujah!

Mr. JAMES PAGE.—Yes; we have had a great "hallelujah testimony" this morning in regard to the Inter-State Commission. I agree with every word the honorable member for Herbert (Mr. Bamford) has said—that it has been one of the most useless creations of this Parliament, and that if abolished to-day no one would be any the worse off. The present Chairman of the Inter-State Commission (Mr. Piddington) was offered a position on the High Court and is the only man in Australia who would have refused such an appointment, which he did.

Mr. WISE.—Why did he refuse it?

Mr. JAMES PAGE.—I do not know, but I have no doubt he has since seen the error of his ways. (The Government might give him another opportunity. For instance, he might be asked to fill the position of President of the Arbitration Court which Mr. Justice Higgins has given up. The Government apparently cannot find any one to take that post. The honorable member for Kooyong has sharpened his lance to have a tilt at the Government, but when he approaches the peg I am sure he will miss it and stick his lance in the ground, unhorsing himself in doing so. That is to say, when a vote is taken on this particular question he will be missing. He will not hurt the Government. He may wound them, but he will not kill them.

Sir ROBERT BEST.—I certainly would not dislodge them.

Mr. JAMES PAGE.—What an admission! Here is another bed-fellow! Here is another "hallelujah testimony"!

Sir ROBERT BEST.—This is not a vital measure.

Mr. JAMES PAGE.—For the last quarter of an hour the honorable member has been ranting and raving about what the Inter-State Commission has cost this country. The honorable member says this is not vital. Will he say what is vital? The *Age* and the *Argus* have whipped the Victorians, and the honorable gentleman has "come to heel." for he is only using the arguments employed by those great organs of public opinion.

Mr. RYAN.—Will the honorable member accept my assurance that the Government will not go on with the measure?

Mr. JAMES PAGE.—Yes, I will accept the assurance of the honorable member for West Sydney, and I suppose that to-morrow we shall find this item of business well down to the bottom of the notice-paper like so many others, including the Public Service Bill, under which the Government proposed to create a Board of three Commissioners. We shall, I have no doubt, find this "brother" alongside that measure.

Mr. GROOM.—Well, let us get this motion through, and you will see.

Mr. JAMES PAGE.—Of course, the Minister can do as he likes. The Go-

vernment have the numbers, and after the testimony by "Brother" Best from Kooyong—perhaps I should say the honorable member for Kooyong—I am satisfied the Government need have no fear of danger from that quarter. But what I want to know is, who asked for this proposed Court of Commerce? The Minister informed us that the Chambers of Commerce had asked for it, but the honorable member for Kooyong, who is a strong supporter of the Government, and a strong advocate of commercialism in this House, has told us that the Chambers of Commerce had seen the error of their ways, and that now they do not want it. If, by means of this Bill, it is proposed to confer a benefit on the commercial community, but if the commercial community do not want it, why give it to them? If there is nothing else behind the Bill than this request from the Chambers of Commerce—

Mr. GROOM.—There is more behind it than that.

Mr. JAMES PAGE.—After the Minister's assurance I would like to see what is behind it. I look with a great amount of suspicion upon anything that the honorable member for Kooyong opposes, because he, and the honorable member for Wakefield (Mr. Foster), are the strongest barrackers for the Government in this House, it does not matter how "tight" they may be. I am not speaking, of course, in the prohibition sense.

Mr. GROOM.—Then you mean in the continuance sense?

Mr. JAMES PAGE.—Not in that sense either, but I know that there are many prohibitionists on that side of the Chamber. The honorable member for Kooyong and the honorable member for Wakefield are "prohibitionists" against our party, but still we are living, and we shall blossom before long and, I have no doubt, bear good fruit. It is a most peculiar thing that every honorable member for Kooyong has been a very rich Conservative. I do not mean in this world's goods, but rich in titles. They would have no commoner to represent them in Kooyong. They must have a titled hero, and now they have one in the person of Sir Robert Best.

Mr. SPEAKER (Hon. Sir Elliot Johnson).—I am afraid the honorable

member is digressing, and I must ask him to address himself to the motion.

Mr. JAMES PAGE.—I am afraid of the honorable member for Kooyong, just as you, Mr. Speaker, seem to be afraid of me, because one day he advocates the appointment of this Inter-State Commission, and now sees no good in it. If this proposed Court of Commerce is going to be of any good to the Commonwealth, let us have it; but if, on the other hand, it is not going to be of any use, the House should cast it on one side. If it is not likely to be of any more value than the Inter-State Commission is, or has been, I hope the House will reject the motion, whether it is or is not vital to the Government.

Mr. FLEMING (Robertson) [11.38].—There is just one point in connexion with this matter upon which I should like to touch. I cordially agree with those honorable members who doubt the usefulness of the continued existence of the Inter-State Commission. We have never had a body politic in this community which has been of less real service than that Commission, and if its life can be judiciously ended now, it would be wise to end it. We are always talking about the necessity for economy. Personally, I am not particularly keen on that aspect of the question, but if we can prevent useless expenditure, we should do so. We are all, more or less, in the dark as to what the Bill, the motion to introduce which is now before honorable members, really means. I should like to know if this proposed Court of Commerce is to be purely a body for getting over little local grievances, or whether its purpose is to be much wider. This, to my mind, is essential at the present juncture. There are great opportunities for Australia in the Pacific and the East, but so far this House has done nothing to take advantage of these new avenues of trade, which are being opened up as the result of the great struggle through which we have come. Other countries are doing a great deal to advance their interests in the East. Great Britain, of my knowledge, has sent out a large number of men of high character, and, in many cases, of high scholastic attainments, to impress the people of the East with the advantages of further trading with the Mother Country; but Australia, which is producing more than any

other country in the world of the very commodities required by these Eastern nations, is letting her chances slip by. America, too, has spent large sums of money in opening up fresh avenues of trade, or in further strengthening those already in existence. On many occasions I have suggested to various people in Australia, and more than once to the Government, that something of a definite character should be done in the way of conserving our interests in the East—at present there is very little to conserve—of extending our trade, and getting into closer touch with the people, so that we may know what is going on. At present we are in the dark, to a very dangerous degree, and we are losing trade which should be coming our way. If this Bill, by the creation of a Court of Commerce, will do anything in the direction of furthering our interests, I shall support it, but if it is merely for the creation of a Court to settle minor differences within the Commonwealth, and if its functions are to be anything like those of the Inter-State Commission, I shall oppose it.

Mr. CHARLTON (Hunter) [11.40].—The Government would be well advised to withdraw this motion. It is evident from the remarks of honorable members on both sides that they see very little utility in the Inter-State Commission. I am in complete accord with the views of the honorable member for Herbert (Mr. Bamford). The Inter-State Commission was constituted, under an Act passed by a Labour Government, and the *personnel* of the first Inter-State Commission was appointed in 1913. I take it that the friends of the Constitution had in mind that some difficulty would be experienced in regard to the Tariff, and they thought it advisable that an Inter-State Commission should be constituted to help Parliament in that regard. We have to be guided by experience, and experience has taught us that the Inter-State Commission is of very little use in regard to the Tariff. The Leader of the Opposition (Mr. Tudor) has stated that the Commission has done very useful work, and that many of its reports will be of service to Parliament. My view is that those reports will be of very little use to the House when dealing with the Tariff. Most

of them were made some years ago, and in the interim the great war has been fought, and as a result trade conditions are vastly changed. I do not say that the members of the Inter-State Commission have not done excellent work, but although their reports have cost a good deal of money they have no practical value. I recollect that in the initial stages of industrial arbitration a great number of cases were filed, but some of them could not be heard for two years, by which time it was useless to proceed with them, because the industrial position had changed. The same objection applies to the reports of the Inter-State Commission. Their reports are four and five years old, and may not be applicable to the conditions of to-day. The continuance of the Commission must involve a good deal of expenditure. We must reduce our expenses wherever we legitimately can, and this is one opportunity that is presented to us. Two of the Commissioners have already resigned, and only one is now in office. The term of appointment was for seven years; that period is about to expire, and, therefore, no injustice will be done to any individual if Parliament should decide that the Commission shall cease to exist. The Government would be wise not to persevere with this motion. If the work of the Commission is of no practical utility, why should the time of Parliament be occupied in dealing with a Bill to give greater powers to that body? In regard to the creation of a Court of Commerce, I do not know exactly what the Government proposal means.

Sir JOSEPH COOK.—Why not wait to see what the Bill means?

Mr. CHARLTON.—The right honorable gentleman will admit that I seldom speak at this stage of any measure, and I only do so now because I think we should give an indication to Ministers of whether or not we approve of the continuance of the Inter-State Commission. We should not allow them to bring in a Bill to which the Government will be pledged, and which the Ministerial followers may feel obliged to loyally support. If the House gives an expression of opinion at this stage it will be a guide to the Government as to whether or not to proceed further with their proposals. The honorable member for Robertson

(Mr. Fleming) pointed out the necessity for developing trade with the Orient. New South Wales has a trade representative in the Orient, and possibly other States also are represented. I think such representation should be sufficient to carry on trade relations. If the proposed Court of Commerce means the creation of another body which will be a permanent cost to the community I shall be very careful how I vote. I have no desire to create any unnecessary Boards. I will support any proposal that Ministers can show to be in the best interests of the country, but, otherwise, the time has arrived when we should economize as much as possible, in view of the heavy financial burden we have to bear.

Mr. ATKINSON (Wilmot) [11.45].—Although debate at the introductory stage of a measure is unusual in this Chamber, it is quite justified in the present instance. As one of those who, during the Budget debate, took exception to the continuance of the Inter-State Commission, I think it right to repeat my views now. It would appear from the remarks of the Minister (Mr. Groom) that the proposal to institute a Court of Commerce means giving to the Inter-State Commission some of the judicial powers which we thought we had conferred upon that body, but which the High Court has ruled it does not possess. This is really an attempt to get round the decision of the High Court. The time has arrived when the Inter-State Commission should be got rid of, but I shall not commit myself entirely until I hear what the Minister has to say on the motion for the second reading of the Bill. At present I cannot see that a Court of Commerce is required. There does not seem to be any demand for it from the trading community, and I think it is time we discontinued the policy of appointing so many Commissions and other Government bodies, and economized wherever possible. Against the *personnel* of the Inter-State Commission I have nothing to say. I have the greatest respect for all the gentlemen who have served upon that body; but, unfortunately, their work seems to have been of no practical use to Parliament or the people. Therefore, I see no necessity for continuing it. Until the High Court decided otherwise, it was thought that the Commission had a sort of

semi-judicial power, the exercise of which would be advantageous to the community. No doubt, when the Constitution was framed it was intended that the Commission should have that power, but I do not know that if it did have such power it would be of great benefit to the community. I shall not go as far as some honorable members have, and declare straight out that the Commission should be abolished, until I hear from the Minister what is involved in the proposed creation of a Court of Commerce. If I were asked to vote now I should decide against the continuance of the Inter-State Commission and against the establishment of the proposed Court. Still, the Minister may be able to make out a good case, and convince the House that the Inter-State Commission, if clothed with the additional powers proposed, may become a useful body. If he can do that, well and good. At any rate, he ought to be given a chance to make out his case, and, therefore, should have leave to introduce the Bill.

Mr. RYAN (West Sydney) [11.50].—When the Minister (Mr. Groom) rose I asked him to be good enough to give some idea of the proposals contained in the measure. It is very desirable that at the introductory stage Ministers should give the House some indication of the proposed scope of a Bill. Such information is helpful to discussion at the later stages.

Sir JOSEPH COOK.—And incidentally it starts a new debate.

Mr. RYAN.—Very often a statement at the introductory stage obviates subsequent debate. At all events, I am very glad that the Minister (Mr. Groom) courteously responded to my request that he should give some information to the House, but I regret that he failed to show any necessity for the measure. It appears to be a measure which is intended to constitute a Court of Commerce. It really does not deal with the Inter-State Commission at all. It constitutes an independent Court, which, of course, will be composed of the members of the Inter-State Commission. The only commercial matters that they would have power to deal with would be Inter-State commerce or commerce overseas.

Sir ROBERT BEST.—They could not be anything else.

Mr. RYAN.—No. They therefore cannot deal with matters of general com-

merce. The conclusion I have come to from the introduction of this measure is that the Government are finding themselves short of business. The Minister is now introducing a Bill for which, admittedly, no one has asked. He has shown no necessity for it, and is merely bringing it in to fill in time. In that respect it is like some other measures that have been on the business-sheet. For instance, we find that the Nationality Bill was put there because of some conference away back in 1911, with the resolutions of which even the Minister (Mr. Poynton) was not acquainted. Now we have measures of a similar type being introduced, so that it is obvious that the Government are finding themselves short of business.

Mr. CORSER.—What is wrong with the Tariff?

Mr. RYAN.—I also ask, "What about the Tariff?" We ought to be dealing with it. We should be dealing with something of serious import to the public of Australia and not with tiddly-winking measures of this sort. I fully understand that every Minister wants to be in charge of some piece of legislation in order to show his importance, and to prove to the public that he is doing something. Consequently the honorable member for Darling Downs (Mr. Groom) has introduced this measure. At any rate, that is how it strikes me, and I think that is how it will strike the general public. I have not seen one piece of evidence of any request for a Bill of this sort. Has there been anything in the press to indicate it? Where is it moved from? Who has requested it? Nobody. There is only one conclusion to come to. I do not wish to be discourteous to the Minister, or to defeat his motion at this stage, but I hope wiser counsels will prevail and that when this motion is carried that is the last we shall hear of the measure this session.

Mr. MATHEWS (Melbourne Ports) [11.53].—It is highly humorous to hear members of this House "whipping their joss." I do not know whether this measure is a sincere attempt to increase or reduce the powers of the Inter-State Commission, or whether it is merely intended to create a Court of Commerce. But it is a fact that to-day we have heard the

Inter-State Commission attacked. Members who were in Parliament when the Inter-State Commission Act was passed, and also members who were not, ought to know the situation exactly. The Inter-State Commission was intended as a Court to deal with the Tariff and other matters under a form of new Protection. I remember well what happened in the 1913 election, when we asked the people for increased powers, and I know what we intended to do with those powers if we got them. It was understood at that time that the present Prime Minister (Mr. Hughes) was to be the President of the Inter-State Commission, which was to have vast powers. We were to get the powers from the people in order to make this Parliament a real Parliament for Australia, as it ought to be.

Mr. McWILLIAMS.—That is the time you “missed the ’bus.”

Mr. MATHEWS.—That is the time the ’bus was missed, when the other side controlled business by a majority of one. That was the occasion which will never be forgotten when the other side looked for a double dissolution, and got it in the *solar plexus* afterwards. The Inter-State Commission is a ridiculous body at present, because it never received the powers which it was thought would be conferred upon it through this Parliament obtaining further legislative powers itself. Consequently, its members have been handed in the interim other jobs, which they have performed more or less satisfactorily to themselves and to the community in general. I am not saying a word against the ability of the members of the Commission. They might very well grace some body which would enable them to do a great amount of good for Australia.

Sir ROBERT BEST.—There is only one man left.

Mr. MATHEWS.—I understand so. I do not know whether there is a chance of the High Court reversing its decision regarding the powers of this Parliament in this direction as well as on the question of State utilities, as happened earlier this year. The High Court told us that we had no power to legislate for State utilities, and that it was never intended that we should; but now the High Court tells us that we have. When we attempted to fix prices the High Court told us that we had no power to do so.

It is possible that a differently constituted High Court may say that we have that power; but unless that decision is given it is evident that the Inter-State Commission will be a useless body, and it is of no avail to go further with it. If this were a civilized Government, or a Government that intended to bring about civilization, they would have looked for further powers in a manner that would warrant the consideration of the whole House. I know, however, that if they do obtain further powers by means of the proposed Convention, they will be useless, because the Government want no further powers. They are too conservative. They want to leave the control in the hands of the sovereign States, as they are called. I hope that when we get the information which the Minister has been asked for, it will not turn out to be anything ridiculous about increased powers for the Inter-State Commission. If it is simply a question of creating a Court of Commerce, I trust that it will not be bludgeoned through by means of the closure. It is getting late in the session, and I hope the House will have a proper opportunity of discussing any Court of Commerce that may be introduced. I hope, also, that there will be no tinkering with, or attempting to bolster up, the Inter-State Commission, because we cannot give that body the powers for which it was instituted.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [11.57].—I do not propose at this stage, nor is it usual, to go into all the reasons for the introduction of the Bill. The House made a request, which was reasonable enough, that I should indicate the reason and purport of the Bill, and I did so. I was rather amused by the speech of the honorable member for West Sydney (Mr. Ryan). He scarcely ever rises here without giving us an interesting chapter from his autobiography. We get from him an analysis of his motives in the past, a description of how he has acted, and how he has conducted parliamentary proceedings, and naturally he immediately assumes that everybody else is actuated by the same motives, and follows the same methods and the same devious ways. I can assure the honorable member that he is quite mistaken so far as this measure is concerned. We can look with satisfaction upon the record of what has already been achieved

by this Parliament this year in the way of legislation. If we have been blocked in our legislation, the honorable member knows the hours and the time that he has wasted—or, rather, I should say, expended—by various want-of-confidence motions, blocking-motions, delaying-motions, and dilatory tactics of every description. If there has been any delay in legislation, the honorable member himself must take the responsibility. There is plenty of business to deal with, and we are anxious to press forward with this Bill. When the Inter-State Commission Act was introduced, all parties absolutely agreed on the necessity for the Commission having the judicial powers proposed. Part 5 of the Act, the part which the High Court held invalid, was regarded as most important, as it enabled the Commission to function and exercise its duties properly. Even in the very early stages of Federation the members of the Federal Convention indicated these powers as necessary, and no one even questioned them seriously until the matter came before the High Court, which, of course, acting judicially, took a different view. The Government is anxious to restore the Inter-State Commission to enable it to function as Parliament originally intended it to do. It has not been able to fulfil certain of its functions because it has not the power.

Mr. McWILLIAMS.—How long ago is it since they discovered they had not the power?

Mr. GROOM.—That was discovered during the war, arising out of the seizure of wheat by the New South Wales Government. The question arose whether the New South Wales Government had the power to apparently flout the provision in the Constitution regarding freedom of trade between the States. The Inter-State Commission was beginning to function properly when the decision of the High Court was given, and practically took away all the judicial power that the Commission possessed.

Mr. HECTOR LAMOND.—Parliament cannot give the Commission that power.

Mr. GROOM.—The Government believe that by the exercise of the judicial powers under the Constitution they can in the way proposed restore the power to the Inter-State Commission to be exercised as originally intended.

Sir ROBERT BEST.—That is for the High Court to decide.

Mr. GROOM.—Of course. I shall not argue the matter further at this stage, but simply indicate the intention of the Government. I am circulating a brief statement prepared by the Parliamentary Draftsman, indicating the effect of the legislation we propose to introduce.

Question resolved in the affirmative.

Bill presented, and read a first time.

ELECTORAL (WAR-TIME) REPEAL BILL.

Mr. POYNTON (Grey—Minister for Home and Territories) [12.5].—I move—

That leave be given to bring in a Bill for an Act to repeal the Commonwealth Electoral (War-time) Act 1917-1919.

I see my honorable friend opposite (Mr. Ryan) on the alert for an explanation.

Mr. RYAN.—It is most unfair to make this attack on me.

Mr. POYNTON.—However, I shall not insult the intelligence of the House by attempting to explain at this stage what this Bill is intended to accomplish.

Question resolved in the affirmative.

COMMONWEALTH BANK BILL.

SECOND READING.

Sir JOSEPH COOK (Parramatta—Treasurer) [12.7].—I move—

That this Bill be now read a second time.

This little measure is certainly not new, nor is it unexpected. It is a modest little proposal for transferring the machinery of the note issue to the control of an Issue Department to be created at the Commonwealth Bank. It introduces no new banking principles; it is, as I have indicated, merely a machinery measure. Anything which approaches a new banking principle is in that clause relating to reserves, which I propose, in Committee, to eliminate.

Mr. TUDOR.—What clause is that?

Sir JOSEPH COOK.—The clause requiring that banks shall keep a certain proportion of notes in their reserves. Later on, I shall explain to honorable members why I withdraw that clause. In the meantime I repeat that, ever since the institution of the note issue, in 1910, this proposed transfer has been agitated on many an occasion. I have myself always held that the note issue should

be a function of the Commonwealth Bank, and should be removed entirely from purely political control, and placed in the hands of a body of men with no motives whatever, but to operate it in the interests of the community generally. I venture to say that that has been the opinion of this House for many years, but the opportunity has not heretofore occurred to make the transfer. There seems to be an appropriate time and place—a psychological moment, shall I say?—when these things come to fruition; and so it has come about, after the lapse of nine or ten years, that we now propose to make this transfer, the advocacy of which, as I say, has always commanded a respectful hearing in this House. There is, therefore, nothing new in the proposal I submit to honorable members.

Mr. FLEMING.—Before the Treasurer leaves that point, will be explain when clause 60c will come into operation?

Sir JOSEPH COOK.—I suggest that the honorable member wait until that matter is before us.

This Bill practically repeals the Australian Notes Act, and hands over the control of the issue of notes to a separate Department, to be created under the measure, with the sole right of controlling the issue from time to time, and the conditions on which the issue shall be made. I think there can be no question as to the desirability of this course, or as to the advantages which the Commonwealth Bank possesses over the Treasury in respect of such matters. For instance, the Bank has branches all over Australia, whereas the Treasury has not. The Bank's interests and facilities are developing day by day, and there is no such expansion possible in connexion with the Treasury. Moreover, as a business concern, the Commonwealth Bank is in closer touch, I venture to say, with the money markets of the world, from time to time, than the Treasury can be. It is in closer touch with the other banks, which are mostly concerned in these issues of notes, and, in addition, is, perhaps, closer to the public generally of Australia than the Treasury Department can claim to be.

This matter of the currency is in itself a very vital one to the community. It has been called the life-blood of trade and commerce, and that is not an inapt simile. It is a matter of the utmost

consequence to the community, affecting, as it does so profoundly, its commercial and social existence.

The very essence of a successful note issue—perhaps I should make this point here and now—consists in its elasticity. Honorable members from time to time criticise the rise and fall of the issue of the paper money of the world, but, really, if the note issue is not to expand and to deflate or contract again, it is of no use whatever to the community. As a banker said the other day, unless the note issue has that quality of elasticity, so as to respond to the needs and financial requirements of the community, it is really of little use. Here, for instance, is what that banker said.

Mr. MAXWELL.—Who is he?

Sir JOSEPH COOK.—The gentleman who made the statement is Mr. Walter Leaf, President of the County, Westminster, and Parr's Bank, London, who, when discussing this matter when the accounts were presented to the shareholders, said—

He was not a believer in proposals for the artificial restriction of the currency. To fix an upper limit would be like trying to cure a fever by plugging your clinical thermometer at normal, and the only result would be that you would burst your thermometer. The only remedy, he added, was to stop the issue of claims to currency in the form of Government expenditure and Government credits. There is, however, also the partial remedy of raising by means of extra diligence in industry, as expressed in greatly augmented production, the ratio of goods to outstanding currency.

Here is one of the foremost bankers of the world declaring that to place an artificial limit on the currency of the country was like plugging a clinical thermometer at normal. The very essence of the note issue depends upon its elasticity, because it must rise and fall with the volume of the world's business, and there must be some facile means to adjust it from time to time, according to the requirements of trade and commerce. The proper body to do this must be kept in close touch with the business and commercial life of the community, and all this indicates the advisableness of the transfer to the control of some central banking body possessed of all the requisites which I have enumerated.

The Bill provides that there shall be a separate and distinct department of the bank, which will have nothing whatever

to do with the banking portion of the institution. It will not necessarily involve a greatly increased expenditure, and very probably the issue will cost less to operate than at present, because the whole of the staff and the machinery will be transferred.

It is intended to create a Board of Directors, but not a costly body, such as one generally associates with Boards of Directors and sub-departments of Government. The Governor of the Bank is to be Chairman of the Board of Directors, and it is provided in the Bill that another director shall be an officer of the Treasury, because, I think it well to keep up the liaison between the Treasury and the Bank. The other two members of the Board will be men of high commercial repute from outside, who will devote their time to this work, but they will not be continuously engaged in their duties as directors of the Note Issue Department. They will be in much the same position as Savings Bank trustees.

Sir ROBERT BEST.—Drawing fees for their attendance.

Sir JOSEPH COOK.—For their services.

Sir ROBERT BEST.—But only two actually drawing salaries.

Sir JOSEPH COOK.—Yes. There will be only two drawing salaries, and not necessarily from the fund at all. Honorable members will, I trust, eliminate from their minds the impression that the creation of this new Department is to involve additional expenditure to the Government or to the Note Fund, as the hope is confidently held that the work can be conducted at less expense than at present, and if not at less cost, certainly without any increase. The creation of a distinct sub-department of the Commonwealth Bank does not, therefore, involve any additional expense to the country.

It must also be remembered that the notes, although issued by this sub-department of the Commonwealth Bank, will be none the less Australian notes. They are not to be Commonwealth Bank notes, because of the transfer; but will still be national notes, signed by the Governor of the Bank on the one hand the Secretary to the Treasury, or some other officer appointed for the purpose, on the other. There will be two signatures on

the notes, as I have mentioned, thus making them truly Australian national notes.

There is a provision in the Bill that in case of emergency we shall be able to do what every other Government in the world has been able to do in time of emergency, and that is to resume control and responsibility, if there should be a war or some other upheaval requiring instantaneous action on the part of the Government. In ordinary times in London the Bank of England, which is the Bank of the nation and of the Government, controls the note issue, but on the outbreak of war the control and responsibility of that Bank is assumed by the Imperial Government. During the last war the Government assumed control, and issued notes—Bradbury's as they are commonly called—to the extent of £362,000,000 sterling. No machinery can stand in the way of a Government financing itself in times of grave emergency, and, therefore, it is provided that we shall have the necessary reserve power to resume control and responsibility should the necessity arise.

Mr. FLEMING.—Even in emergencies other than those arising out of war?

Sir JOSEPH COOK.—I cannot conceive of any other emergency apart from war, and if there is such a contingency it is so remote that we need not trouble about it. I hope it may never occur, but provision has been made for cases of extreme national crisis.

The profits of the Note Issue Department will continue to go back to the Government as at present. The Department will pay for itself, and the expenses of running it, and of meeting the cost involved by the Board. This will come out of a small commission, such as is usually charged for the transaction of such business, and the resulting profits will be paid over to the Treasury. The motives of mere profit-making will thus be removed from the Board controlling the issue of notes, and that is as it ought to be. Our one and only object will be to see that the circulation of the currency of the country is such as is necessary by reason of the trading activities of the country, and when the Board is exercising its functions there will be no motive in issuing notes for the purpose of profit. Profits, of course, will arise incidentally,

and those profits, it is provided, shall not redound to the benefit of those who make them, but shall revert to the Consolidated Revenue.

Mr. TUDOR.—Will this Bill give the Board power to issue more notes than we are at present issuing?

Sir JOSEPH COOK.—Yes, or less, if they so desire.

Mr. TUDOR.—On what conditions?

Sir JOSEPH COOK.—On the same conditions as at present. All the existing safeguards are maintained. This Bill involves no new principles and cuts across no old principles. It simply transfers bodily to the Board the whole note issue. It interferes with practically nothing except the control, which it transfers from the Treasury to a new issue Department. That is really the purpose of the Bill. There are some amendments that I propose to move when we go into Committee.

Sir ROBERT BEST.—Is the Treasurer going to deal with the question of reserves?

Sir JOSEPH COOK.—I have already indicated that I propose in Committee to move to eliminate altogether clause 60(o). After discussing the question with the banks and receiving from them satisfactory assurances, I see no reason for persisting in it. It is a provision which relates after all to new banking principles, and, therefore, should find its appropriate place in a new banking measure, and not in a mere machinery Bill such as this purports to be. I am not so sure that the time is not near when a new banking Bill, designed to bring some of our methods and customs more into line with the advanced banking of the world, would be a good thing for this country to do. We are still behind, in some measure, countries like America and Great Britain, which have gone far ahead of the existing position here. My reason just now for not tackling the question of reserves is because it will find its appropriate place in the new banking Bill which may at some time or other be introduced, rather than in this simple proposal for transferring the machinery of the note issue to a sub-Department of the Commonwealth Bank.

Mr. RYAN.—Is that the Bank's objection to the clause—that it should be in another Bill?

Sir JOSEPH COOK.—It is one of them. I say quite frankly that this is not a time to get into conflict with the banking institutions of the country. The position of things is far too serious for that. Instead of bringing the matter forward now it should be left for a more convenient season.

It may not be out of place to show how this Bill will stand in relation to what is taking place up and down the world generally. Things are moving and have moved through the war with regard to many of these questions, but altogether, I think, we have reason to congratulate ourselves on our present financial position in Australia. In my judgment, there is no country to-day that, notwithstanding all the stress and strain of the war, has its general financial affairs on so sound a basis as Australia. On this question of currency generally, we shall perhaps see the advantage of some of the things we have done if we glance for a few minutes at what is being done elsewhere. I have already spoken of the essential requirement of elasticity in any note issue, so that it may meet the seasonal and other necessities of the country from time to time. Take our present wheat harvest and our wool clip as an illustration of what I mean. In Canada, when her harvests are being gathered in, notes are scattered all over the country. They are not legal tender notes, but notes which are permitted to be issued by the banks themselves. The security for these notes is in the Central Banking Reserve of Canada, and 50 per cent. of that reserve consists of national notes.

Mr. McWILLIAMS.—The real security is the wheat.

Sir JOSEPH COOK.—In the last analysis the honorable member is perfectly right. However much we may put sovereigns against notes, a pound's worth of production is equal to a sovereign in substantiality, if not in immediate facility. As my honorable friend suggests, in the final resort the real backing of the bill is the solid substantial production of the country. And so it comes about that these notes are issued by the million in

Canada during the harvest time; but they are all gathered in again as the harvest is sold, and the exchanges are made up and down the world.

Let us look, first of all, at what its done in Great Britain. We must always turn our eyes to the Motherland when discussing these questions. She has come through crises like these so often in her history—surviving them and revivifying herself in the process—that we cannot do better than look to such an example.

Mr. LAZZARINI.—She has survived them by repealing the Bank Act, which stipulated for a gold reserve every time.

Sir JOSEPH COOK.—I have already said that in times of crises that has to be done in every country; but what we have to do in times of crises is no indication of what we ought to do when the crisis is over. The position is then altogether different.

Mr. MATHEWS.—Is there any truth in the statement that they want to collar our gold over there?

Sir JOSEPH COOK.—We do not propose to let them take it.* As honorable members are aware, the Bank of England itself is the banker of the Government of the United Kingdom. It is in its construction a private bank, yet it has so fulfilled its functions in the past as to make it, to all intents and purposes, a Government institution. That is to say, it has always acted with due regard to Government interests first and foremost, and does so to-day, making from time to time appropriate profits, which, however one may criticise them, are in their very nature of the most moderate kind, the balance finding its way always into useful channels for the country's interest. It may be well to remember that during the war the Bank of England placed upon itself the self-denying ordinance of refusing to make any profit whatever over that which it made in pre-war days. One should never forget that example of the great Bank of England. In normal times the Bank of England is the sole issuer of the currency of England. When the war broke out, however, different conditions obtained. The Government issued currency notes to the extent of £362,000,000 over and above the £140,000,000 worth of notes issued by the Bank of England. Against the £362,000,000 of currency notes there is

very little in the nature of substantial assets. A certain amount of gold is held. It amounts to-day, I believe, to £28,500,000 in coin and bullion.

Mr. MAXWELL.—By whom is that held?

Sir JOSEPH COOK.—By the Treasury, at Home.

Mr. McWILLIAMS. — All modern writers now are agreeing that the gold reserve is very largely a myth.

Sir JOSEPH COOK.—By no means. Modern writers agree that, whether you have gold in circulation or not, however much you may load your note issue for the purposes of usefulness in trading activities those notes must bear a definite relation to gold. It must appear strange to the honorable member—holding such views as, apparently, he does—that all the experienced bankers of the world stick to that delusion, if delusion it be; and I cannot believe that it is, since the whole of the banking world hugs it so closely, and has always done so, right down the centuries.

Now, I have indicated the conditions existing in England. There is a total of £362,000,000 in currency notes, and there is very little gold or bullion to back those notes. But the Bank of England has almost a sovereign behind every one of its notes. While behind the currency notes of the British Government very little gold is held, there is, however, the security of the nation, and there are the trading activities of Great Britain behind that again. I emphasize the point that the security is not based upon any gold issue, and that the reason why no effort has been made to put gold behind those notes is that they were issued temporarily, and that it was hoped to get them in again at the earliest possible moment. That is the problem of the British financial authorities, as it is, indeed, of the whole world.

The United States of America is, perhaps, further advanced in banking reform than any other country of the world. In this regard I shall quote the late Sir Edward H. Holden, who, prior to his recent demise, was one of the leading British bankers. He was chairman of the London Joint City and Midland Bank Limited. This unquestionable authority says—

It will not be out of place to refer once more to the system under which Federal reserve notes are issued. When it was decided by the

American Government, after the crisis of 1907, that a new banking system was required in the interests of the country, the framers of the new law kept before them the necessity of adopting a system under which the note issue would be dependent upon the demand of trade, automatically expanding and contracting according to the real requirements of the country. Their object was to ensure that when trade is brisk the notes will be increased.

I trust that our newspaper financial critics will not be unduly nervous when reading that statement. The man who was perhaps the foremost banker in England voices this view:—

Their object was to ensure that when trade is brisk the notes will be increased.

Sir Edward Holden continues:—

and when trade slackens the notes will be returned to the Bank. To effect this object the Government agreed to issue notes to the Federal Reserve Banks on the security of commercial bills of exchange and gold,

Will honorable members please note that point—"Bills of exchange and gold"; not, "Bills of exchange or gold". Sir Edward Holden proceeds:—

and these banks put the notes into circulation. The theory was that additional currency could be obtained when trade required it, by the discount of bills of exchange, but that the bills of exchange, being of short date, their payment, when due, would necessarily cause a contraction of the notes issued against them. A large and increasing volume of trade entails an increased use of bills of exchange, and requires an expansion in currency. To provide for the expansion of the currency an issue of notes against bills of exchange seems to be the simplest and safest way of meeting trade requirements, but the total issue should be limited in proportion to the amount of the gold reserve.

That is fair. Every banker of repute sticks to the fundamental point that whatever loading of paper, above, there may be, there should be a definite relation to the gold, at the bottom and underneath. Sir Edward Holden adds:—

When trade diminishes in volume, and the total of bills of exchange outstanding is reduced, the total of notes outstanding must also automatically be reduced. It will be observed that in this system the currency in circulation is not increased unless there has been a previous increase in the volume of goods produced, as the bills of exchange which are discounted for currency must be commercial bills representing goods. Hence there is no similar effect upon prices consequent on an increase in currency obtained in this way, as would be the case when notes are issued against securities not representing goods, such as Treasury bills.

The point made here is that there is no necessary inflation when a note issue is

merely large. That is to say, when there have been goods produced worth £1, to put a £1 note against them is not inflation of such a kind as to affect prices.

Mr. JACKSON.—Would not that refer particularly to export trade?

Sir JOSEPH COOK.—To all kinds of trade.

Mr. TUDOR.—What if we eat the goods which are worth the £1 note? The note is still there, but the goods have gone.

Sir JOSEPH COOK.—In those circumstances you will have eaten the note, because it will have been withdrawn. The idea expressed here is that you shall issue your notes against bills of exchange. When a bill of exchange is cancelled, your note comes in again and is also cancelled. That is the true use and function of a note, and the parallel with us would be that your paper issue would go out in harvest time and come in again when your harvest was over, and sales had taken place overseas, and when your exchanges had been made all over the world. This expert banker pointed out that to have a large issue against a large volume of business, seasonal or otherwise, is not necessarily to inflate the issue in such a way as to affect prices at all.

Mr. ATKINSON. — Inflation occurs when more notes are issued than the demands of business require.

Sir JOSEPH COOK. — That is so. When we force notes upon the country which the country does not want, for purposes of circulation, down goes their value. They create a fictitious and mischievous credit, and serve no useful purpose. He continues—

As I said last year, the experience of most State banks is that commercial bills of exchange are the best security on which to issue currency after gold.

You can see the opinion that there must be a gold backing running through every word of this statement. He says in effect, "Make your note-issue as elastic as possible. You need not circulate your gold, but there must always be gold behind the notes, in order to redeem them whenever the public may demand it." To continue the quotation—

And it has been on this basis that the Americans have worked, and have built up their Federal Reserve Banks.

He then proceeds to quote a statement made by Senator Robt. L. Owen, in

America, who pioneered the Federal Reserve Bill through the Senate, and summed up the whole purpose as follows:—

The central idea of the system is elastic currency issued against commercial paper and gold, expanding and contracting according to the needs of commerce.

The reserve note is the most powerfully fortified note in the world. There is no probability of any want of confidence arising with regard to this note, and it was intended that there should be none.

Under the reserve system a financial panic is impossible. People will not hoard currency, nor hoard gold when they know that they can get currency or get gold when required. This was an important object of those who prepared the Reserve Act.

America no longer believes a financial panic possible, and, therefore, the business men, being perfectly assured as to the stability of credits, do not hesitate to enter manufacturing and commercial enterprises from which they would be deterred under old conditions of unstable credit.

The system has expanded the use of acceptances and of cheques and drafts, has stimulated industry, provided enlarged employment of labour, increased output, and greatly enhanced the financial prestige of American banks.

It has enabled the United States to place gigantic bond issues and—

This is characteristically American—
finance the world war.

The Federal Reserve Banks of America are compelled by law to hold a cash reserve of 35 per cent against their deposit liabilities, and 40 per cent. in gold against their outstanding notes. The ordinary banks carry little or no gold, the Federal Reserve Banks having practically all the gold in America. The other banks carry simply the notes issued against this gold. There is a requirement in their Act, just as there is in the latest Currency Issue Act of Great Britain, that everything over a certain amount shall have behind it a national note—in Great Britain a Bank of England note, and in America a note issued by the Federal Bank Reserve. Thus credit has been mobilized in a way that was never possible before reserves being controlled and concentrated instead of being distributed among all the banks. The dollar has been made to do several times as much work as it did formerly. This arrangement, although a useful one to the country, has nevertheless proved a cause of the inflation of prices, and even before the war there was a slight increase of prices in America due to it. And, notwithstanding that throughout the war gold poured

into the United States from every other part of the world, prices in that country are to-day the top prices of the world.

In Canada, as I have already said, notes are issued both by the Government and by the banks, the latter being compelled to hold at least 50 per cent. of their cash reserves in Dominion Government notes. These private banks are allowed to issue notes, but the notes are not legal tender, and they must keep in their cash reserves 50 per cent. of Dominion notes. Behind the Dominion notes is the gold reserve, which is the basis of the whole currency. Thus they mobilize their credit, and permit the banks to issue notes which are really in their nature similar to the certificates which we propose to give to the farmers for the wheat delivered at the railway sidings. These certificates are not legal tender in any sense of the word, but are redeemable by the banks after the wheat and other produce have been sold.

Mr. McWILLIAMS.—They are simply advance credit notes.

Sir JOSEPH COOK.—That is really what they are, and in essence they are the same as the certificates which we propose to give to the farmers.

Mr. JOWETT.—What percentage of gold do the Dominion banks hold?

Sir JOSEPH COOK.—There is no legal minimum reserve which must be held against deposit liabilities, but the statements of the chartered banks of Canada for November last show that they then held deposits amounting to 2,104,063,028 dollars, or £420,812,000. against £74,795,000 in gold and Dominion notes. The total gold in the Canadian banks, including the central reserve is, if I remember rightly, about 43 per cent. of the total note issue, as against 77 per cent. in Australia. The cash reserves held by the banks against their current and fixed deposits, together with the note issue, is equal to about 18 per cent. of their deposits and note liabilities. Therefore, our proposal that the banks should hold 15 per cent. in cash reserves cannot, by any stretch of the imagination, be termed unreasonable or extravagant. In other countries this is provided for in a general banking measure, and that is one of the reasons why I propose to eliminate the provision from this Bill, to incorporate it, perhaps, later in a general

banking measure when the time is convenient for its introduction.

In Australia the banks throughout the Commonwealth, exclusive of the Commonwealth Bank, had on deposit, both by way of current accounts and fixed deposit, during the quarter ended the 30th June last, an average amount of £214,243,000, against which they held in coin, bullion, and Australian notes, £51,126,129, which is equal to 23.86 per cent. of the total deposits actually held, as against 18 per cent. in Canada, again showing that our position is a very strong one. The ordinary Australian banks, including the Commonwealth Bank, held during the June quarter of 1920 an average amount in Australian notes, in round figures, of £34,500,000, and, in addition to this, held gold and bullion to the extent of about £19,500,000. Of the £34,500,000 worth of Australian notes, approximately £23,500,000 were in £1,000 notes, and I am informed by the banks that they find these notes very handy for clearing purposes, in place of using gold certificates, which were formerly in use between the banks for this purpose. In order to ascertain the true note circulation of the Commonwealth, the amount of £34,500,000 held by the banks, or most of it, should be deducted from the total issue. The notes actually in the hands of the general public, amounting to £22,000,000, represent the true circulation.

In France, another country with a highly inflated paper currency, the issue is made wholly by the Bank of France, which, although a private corporation, and privately owned, is, like the Bank of England, so intimately connected with Government activities and operations, that it has come to be regarded as the actual Bank of France in fact as well as in name. The Bank of France has no fixed legal reserves of gold, but the total note issue must be covered by gold, silver, securities, and commercial papers. As a matter of fact, it carries very large metallic reserves, composed of both gold and silver, and, since it may lawfully pay its obligations either in gold or silver, it can always protect its gold holding when necessary. The latest figures of the Bank of France, published under date the 8th January of this year, show that the actual note circulation at that time, converted into

pounds sterling, was £1,520,396,000, against which the following reserves were held:—

Gold in France	£144,035,000
Gold abroad	79,131,000
Silver	10,582,000
Bills of exchange	64,687,000

Making a grand total of.. £298,435,000

The same conditions apply to other countries. Perhaps the following table of figures, showing the note issues of the world towards the end of 1919, will be interesting to honorable members:—

WAR COUNTRIES.

United Kingdom	494,829,000
Bank of France	1,495,137,000
Bank of Italy	478,217,000
Other Italian	300,000,000
Bank of Germany	1,623,018,000
Austro-Hungarian Bank ..	2,117,337,000
Bank of Belgium	188,549,000
Bank of Greece	55,129,000
Bank of Roumania	152,038,000
Bank of Bulgaria	98,424,000
Bank of Poland (say) ..	37,235,000
Bank of Finland	42,525,000
	<hr/>
	£7,082,438,000

Russia and Turkey, not obtainable.

NEUTRALS.

Netherlands Bank	86,413,000
Bank of Spain	154,074,000
Swiss Bank	37,838,000
Bank of Sweden	39,289,000
Bank of Norway	23,771,000
Bank of Denmark	26,208,000
Bank of Portugal (say) ..	66,894,000

Grand total, exclusive of
Russia and Turkey .. £7,516,925,000

Similar figures in 1914 showed a total note circulation of approximately £799,000,000, so that during the war period the note issue of the combined European countries expanded practically tenfold. This world-wide inflation, which no doubt has sent prices soaring, has affected prices in Australia in common with the rest of the world; but when we are discussing our own note issue we should never forget that, although we are susceptible to the effect of the world's issue of notes upon prices generally, our own issue is but a mere drop in the bucket.

Now, may I go on to remark that instead of the note issues of the world going down, they are still going up.

Mr. FLEMING.—Not during the last twelve months?

Sir JOSEPH COOK.—Yes, even since I delivered the Budget speech.

Mr. TUDOR.—Our own note issue has gone up since then.

Sir JOSEPH COOK.—No. It is less to-day than it was when the Budget speech was made. I have some very instructive figures which I should like honorable members to hear. During the present year the note issues in European countries have increased as follows:—Italy by £86,000,000, France by £30,000,000, Great Britain by £25,000,000, Germany by £500,000,000. On the other hand, our note issue has gone down a little. At any rate, it has not gone up above what it was nine months ago, and since the Armistice it has steadily declined until to-day it shows a 10 per cent. decrease on the amount of the issue at that time. In every other country of the world there has been a sharp increase, and the upward tendency does not appear to have been checked. Of course there are reasons for this. The world is still upside down. Production is still dislocated. Wars and rumours of wars still prevail. The time has not yet come when—

The common sense of most shall hold a fretful realm in awe.

Unsettlement continues with the resultant adverse effect on trading activities. In the meantime, people must live by getting commodities to keep them alive and by getting capital to establish new industries or revive old ones, and, in order to do so, they must create fictitious paper credits, which can only be deflated subsequently and finally when the production of the world has overtaken consumption. Until that time comes these shifts and expedients, for they are only such, must continue to do duty in order to save and secure the trade and business of the world.

The point that emerges from all this is that nearly every country in the world has some issuing agency, which acts for all the other banking agencies contained in the various States in which they are located, and what we are proposing to do here is only in keeping with the best experience and opinion of the banking world. I believe we are on the right track in transferring the Note Issue Department from the Treasury and placing

it in the hands of men of experience and knowledge, who, being outside all intruding political influences, will have no motive whatever but to operate it in keeping with the legitimate trading requirements of the country. It will lead to a great deal more contentment with the note issues to know that they are being operated for no political reason, and that no political consideration whatever enters into the adjustment and manipulation of them, but only considerations of public trading and business activities, which are the final and determining causes of the movements, up or down, of the note issues of the Commonwealth.

Sitting suspended from 1 to 2.30 p.m.

Sir JOSEPH COOK.—I was pointing out that elsewhere the note issues have increased, and that no successful effort has yet been made to reduce the paper currencies of the world. The very latest figures I can find on the subject indicate that since I delivered my Budget speech, at the beginning of September, France has increased her note issue by nearly £1,000,000; Spain, which was not in the war at all, by £3,136,000; Sweden, another neutral country, by £2,000,000; and Norway by £1,000,000. In the six months from 31st December, 1919, to 30th June last, the following increases have taken place:—Germany, £899,000,000, estimating the mark at par value, which, I admit, is fictitious; Austria-Hungary, £319,000,000; the United Kingdom, £20,000,000; and the latest figures show that for this year alone the total increase is over £25,000,000; United States of America, £17,000,000; France, £11,000,000; Belgium, £16,000,000; Roumania, £13,000,000; Portugal, £11,000,000; Australia, £345,956. Since that date our note issue has decreased by about £2,000,000. The outstanding fact is that, notwithstanding the pinching up of credits, as far as the banks could possibly do it, all over the world it has been found necessary to still further increase the note issue.

Mr. McWILLIAMS.—What has been the result in those countries?

Sir JOSEPH COOK.—Soaring prices; that is inevitable. The two countries, which, to-day, are living absolutely on fictitious credits in the shape of paper

money are the places where paper money is practically valueless. I refer to Germany and Russia. There is no doubt whatever that inflation of any kind, even of the gold issue, beyond the ordinary requirements of solid stable business must necessarily express itself in disordered prices.

Mr. TUDOR.—In the countries to which the Treasurer has referred is the note issue under absolute Government control, or do the private banks please themselves?

Sir JOSEPH COOK.—Nearly all those note issues are under Government control. That is certainly the case in Great Britain and Germany through the Reichsbank. The explanation is that the world is hungry for goods, and has no money with which to pay for them. It has, therefore, to create these paper issues, which are really IOU's, and until the Government can return to a stable, steady, normal basis the increased note issues of the world must express themselves in increased prices. The great problem of to-day is the deflation of the currency. It is all summed up in a statement I read last night, by Senator Harding, the prospective President of the United States of America, that "we inflated in haste, and we must deflate in deliberation." We hear every day demands that the note issue shall be deflated at the earliest possible moment. I admit that that is our problem, but can we deflate the note issue in a night? We inflated it, as we had to do, during the war period for reasons which are quite apparent. First of all, we made up our mind at the beginning of the war that we could not shut down the public works of the States. Therefore, in order to continue those works, £20,000,000 worth of notes was issued to the State Governments against the public works of the States. Will any one suggest that we can instantly call in those notes?

Mr. HECTOR LAMOND.—There is a very solid asset behind them.

Sir JOSEPH COOK.—There may be, but that is not the kind of asset that ought to be behind them. That issue of notes may be said to be due solely to war emergencies; nobody would be justified to-day in handing £20,000,000 from the Notes Fund to the States for public works. That is the very thing we should avoid;

we ought not to tie up the assets which are placed behind the notes. All the banks of the world adopt the policy of putting their notes behind their trading bills, so that as the one cancels, the other also automatically cancels. The note goes out and does its work, and when it comes back it is destroyed. But our note issue is tied up in assets which are not immediately realizable, although I have no doubt that as time goes on we shall be able to realize on them. This is how the note issue is invested at the present moment:—

Commonwealth Government In-	scribed Stock	£3,830,000
Commonwealth Government In-	scribed Stock and Bonds (War Issue)	63,640
Commonwealth Treasury-bills for	Works	4,918,263
Commonwealth Treasury-bills for	War Purposes	902,629
State Government Securities—		
New South Wales Treasury-	bills	7,400,000
Victorian Government Deben-	tures (face value, £800,000)	784,000
Victorian Government Deben-	tures	3,900,000
Victorian Government Securities		583,000
Queensland Government Securi-	ties	1,490,000
South Australian Treasury-bills		2,600,000
Western Australian Stock		590,000
Western Australian Treasury-	bills	3,100,000
Western Australian Government	Securities	335,000
Tasmanian Inscribed Stock		160,000
Tasmanian Treasury-bills		300,000
Tasmanian Government Securi-	ties	1,000,000
Advances and Fixed Deposits—		469,000
Sundry Banks		5,426,600
		£37,852,133

Victorian Government debentures are redeemable five years after the end of the war, but not later than 1925. So it is with most of this debt; it does not mature before 1925. It is that kind of locked up security against which our notes were issued during a period of war and upset. Therefore, the bulk of our note issue to-day is set against a kind of security which is not immediately realizable. Under normal conditions that is not a sound basis on which to issue currency. The note issue increased only because a war was in progress, and it was necessary to

take extraordinary measures to continue public works, just in the same way as the currency notes were issued by the Imperial Government. The ordinary banking conditions appertaining to the Bank of England could not meet the extraordinary conditions that had arisen in the Mother Country. So the Imperial Government issued notes of its own to the amount of £362,000,000. The Imperial Parliament recently passed a Bill which provided that the issue, as it then stood, namely, £320,000,000—it has since been increased—should be the standard for the issuing of notes in the subsequent year. If the issue exceeds that amount, for every note issued a corresponding Bank of England note is to be set against it. There is no gold or bullion backing at all, but just the Bank of England note, which, of course, is almost equal to gold, because behind every Bank of England note is about a sovereign.

Mr. TUDOR. — If the Bank issues a note against every sovereign, and the Imperial Government issue other notes against the Bank of England notes, there will not be a sovereign to back each note.

Sir JOSEPH COOK.—That is what I am pointing out. England to-day has issued £362,000,000 worth of Treasury-bills, which have very little bullion backing at all. There is some parallel between them and our note issue during the war. Therefore, when people outside Parliament ask airily and thoughtlessly why we do not reduce the note issue, the main answer is the reason I have stated, namely, that the note issue has been set against an asset which will not be realizable for some time. Every effort ought to be made to get the paper currency reduced; but I frankly confess that there does not appear to be very much prospect of making any appreciable onslaught on the present bulk of the note issue, having regard to the immediate requirements of our trade and commerce. We propose to issue wheat certificates almost immediately. The banks are going to honour this promise with an immediate cash payment of 2s. 6d. per bushel.

Mr. McWILLIAMS.—Will that be an addition to the present circulation?

Sir JOSEPH COOK.—No. But, in order that the banks may carry on their ordinary customers, and meet these wheat certificates at the moment, they

may have to ask the Government for a further temporary issue of notes until the wheat sales can be realized.

Mr. HECTOR LAMOND.—It only means that you want a little more credit to enable you to do a bigger business.

Sir JOSEPH COOK.—That is exactly the position. Having regard to the tremendous wheat harvest, we may see the note issue even higher than it is to-day. That, after all, will not mean any inflation of the issue, since behind every note that may be issued there is a solid and almost immediately realizable asset, which will cancel it the moment the realization is made. And, therefore, as Sir Edward Holden points out, as long as you have your note issue set against your trading bills—the one automatically cancelling the other—no increase in prices results from such an issue. In other words, if your note issue is set against your trading bills and gold—for gold is the basis beneath it all the time—there is no necessary inflation. Inflation does not mean bigness or volume of issue. It occurs only when paper money is being forced on a country which does not want it, and, therefore, depreciates accordingly.

In addition to the £20,000,000 of which I have spoken, there is another item of £3,500,000, which consists of advances to banks for financing wheat, wool, war loans, gratuities, and such-like things. All that is realizable, and as the money comes back, unless, in the meantime, the banks want more for the purpose of financing the present harvest, it should lead to an automatic reduction of the note issue. It looks, however, as if the banks will want more, and not less, until the tremendous harvest has been dealt with.

Mr. STEWART.—What will the Government charge the banks for such advances?

Sir JOSEPH COOK.—Five and a half per cent. For every note that they may want to finance the harvest, they will pay 5½ per cent., just as we have to pay them 6 per cent. for any accommodation we may require.

There is yet another item, "Issue to banks in exchange for gold, and for the purchase of gold through the mints." Most of that gold is in the Treasury. There is no inflation in respect of that item, since we have a sovereign behind every note. We need not worry about the effect it will have upon prices, because the effect

will be practically nil. We have also issued £6,600,000 to ourselves to provide for the construction of our own public works during the war. That, again, honorable members will see, is tied up, and will be for some time to come.

Mr. JOWETT.—That is in addition to the £20,000,000 and the item of £3,500,000 to which the Treasurer has referred?

Sir JOSEPH COOK.—Yes; there is as nearly as possible £30,000,000 of these notes set against the public works of Australia.

Mr. HECTOR LAMOND.—A non-liquid asset.

Sir JOSEPH COOK.—Non-liquid, and non-realizable for the present.

To deflate this note issue, one or two things would have to be done, and when I mention them, honorable members will see that after all the deflation would not really be a real deflation. If we were to attempt it, it would be only a bluff. For instance, we could immediately return to the banks the £10,000,000 in gold that we got from them at the beginning of the war, and cancel the note issue to the extent of £10,000,000. But would that make any impression on the prices ruling in this country? The mere taking of the gold out of the Commonwealth Treasury and putting it into the coffers of the banks would not express itself in any shape or form in the prices of the country. We could also float another loan, and deal with the public works item in that way. But if we were to float another loan of £20,000,000 we should simply change an inflation of credit for an inflation of currency. The one would immediately cancel any benefit arising from the other. And so the whole process would go on. All that we can do in regard to these war emergency notes is to make a systematic and *bond fide* effort to appropriate these moneys, when they are repaid, for the cancellation of the notes. A great consideration to be looked to always in the issue of this paper money is that it shall be issued in terms of a definite contract, and that that contract cancels itself when the date of maturity comes round. Your note goes out to do the specific kind of work to which it is specifically allotted. When that work is done, the work of your note is done, and it is automatically destroyed. That is one reason why the public cannot

be accommodated at once in the destruction of our large note issue. For the same reason it cannot be done in any other part of the world.

We may, on a comparative review, congratulate ourselves that while the issues of every other country, neutral and belligerent, during the late war have gone up, our issue has gone down in the same period.

That reminds me of another point, which I shall mention in conclusion. We are hearing to-day of the stress and strain on credits in London. As honorable members know, the position there is very acute, and we are trying to deal with it. I have had several conferences with the bankers, but it is not we so much as the banks themselves who are in trouble in London. They have permitted large purchases to be made by their customers. Those large purchases are now being delivered, and temporarily there is a dearth of credit on the part of the banks in London. They are setting up the plea there that we should export our gold for the purpose of establishing these credits there. That would be a very easy way of doing it, but it would not be fair to Australia to permit it to be done, for the reason that our gold in Australia to-day is £54,000 less than it was when the war began. Do honorable members realize what that means? It means that all the current gold that has been won in this country during the war has been shipped away—for the last two years, of course, through the Gold Producers Association—so that there is an export of gold going on all the time. Last year gold to the value of £4,500,000 was exported through this medium. In addition to that, one or two of the banks here, and also the banks in London, want us not only to ship this gold as we are doing through the Gold Producers Association, but to ship our reserves of gold through the banks. I do not see my way at the moment to permit that to be done. Moreover, the bulk of the bankers of Australia are opposed to it, for the simple and sufficient reason that, although we have at present plenty of gold cover, we have not too much for our expanding requirements. Our deposits in the banks are 55 per cent. more than they were at the beginning of the war, and we have practically the same gold reserves against them. That is one reason why we

cannot permit the depletion of this gold reserve as suggested; and, having regard to our immediate commitments in the shape of the harvest and to the other developments going on in Australia at present, we want the best basis we can get to cover the circulation of trading activities in Australia. Thus, while it would be easy in this way to relieve ourselves in London at the moment, I am afraid the position will resolve itself into what is taking place in every country as well as in our own, and that is that we shall have to cut our coat according to our cloth. If we have not the money to pay for abnormal importations we shall have to slacken off importations, and do without that for which we cannot pay in the ordinary normal way.

Meantime the position here is absolutely sound, and we may congratulate ourselves upon it. In my judgment, however, there will be no deflation of prices in any country until the supplies of the world have overtaken the demands of the world. That is the real basic cause of the present increase in prices. It is not so much our currency—

Mr. TUDOR.—Much of the increase in prices that has taken place can be accounted for by the fact that a lot of men were diverted from productive to non-productive industry.

Sir JOSEPH COOK.—The upset of war has been the chief reason. The note issues of the world but measure the necessities of the world. The moment those necessities have been relieved, but not till then, the note issues of the world will begin to decrease. That is the basic cause of the trouble, and it is there that we must seek the remedy. Meanwhile, in handing over the control of the note issue to an independent Board in the Commonwealth Bank, I think we are taking a step in the right direction. At any rate, when it is taken the critics will not have to criticise the Treasurer.

Mr. HECTOR LAMOND.—That is not a sufficient reason for passing the note issue over to the Board.

Sir JOSEPH COOK.—I admit that, but I have given, I hope, sufficient additional reasons for our proposal. The reasons are that the Bank is in closer touch than the Treasury could be with

the requirements of the community. It has better facilities for operating the note issue, for securing the notes, and seeing that they are placed against bills which are self-cancelling in their character. I am proposing to take out of the Bill the clause which provides that the funds of the note issue may be invested in the ordinary business of the Commonwealth Bank, because I do not think the Bank in that regard should be given privileges which other banks do not possess.

Mr. TUDOR.—Why not? It is our own bank.

Sir JOSEPH COOK.—I am speaking of ordinary business transactions.

Mr. JAMES PAGE.—I would put every facility in the way of the Commonwealth Bank.

Sir JOSEPH COOK.—So should I, but I would not give it advantages which would unnecessarily handicap other banks.

Mr. TUDOR.—I would.

Sir JOSEPH COOK.—I know the honorable member would, but I do not see the necessity for it. If the Commonwealth Bank indulges in ordinary trading activities, it can afford to do so on the same terms and conditions as the other banks.

Mr. TUDOR.—I am not going to buttress up the private banks as against the Commonwealth Bank.

Sir JOSEPH COOK.—Nor am I. Why does the honorable member put the matter in that way? I do not.

Mr. TUDOR.—Since this Bill was introduced it has been amended to suit the private banks, to the detriment of the Commonwealth Bank.

Sir JOSEPH COOK.—That is not so. I hope the honorable member will point out the facts which he thinks support that statement. I may say that, at the proper time, I intend to insert a provision to the effect that the resulting funds from the note issue shall be placed against ordinary trading bills of not more than 120 days. That will be providing, in the case of our own Bank, exactly what may be done with respect to every other bank.

Mr. HECTOR LAMOND.—Then, in a similar crisis to that through which we have just passed, we would be unable to

do what we did for the advantage of Australia during the war?

Sir JOSEPH COOK.—That would not be so, because the Treasurer in similar circumstances would resume control and responsibility for the whole business. There is provision to that end in the Bill. All I am here suggesting is that, when the Commonwealth Bank goes outside to compete with other banks for ordinary business, it shall do so on the same terms and conditions; which, of course, is the essence of fairness. And even under such provisions the Commonwealth Bank still has many advantages over the other banks. I want to see the Commonwealth Bank increase and prosper as the years go by, and that in doing so it shall minister to the financial stability of the country. I want to see our currency and reserves removed from any possible political interference, and to see the whole scheme placed upon a proper banking footing, such as obtains in other parts of the world to-day. I commend these proposals to the consideration of the House.

Debate (on motion by Mr. TUDOR) adjourned.

PASSPORTS BILL.

In Committee (Consideration resumed from 26th October, *vide* page 5976):

Clause 5—

(1) Any person entering the Commonwealth, who is required to be in possession of a passport, shall, if required, give up his passport to an officer, before leaving the vessel in which he has entered the Commonwealth.

Mr. TUDOR (Yarra) [3.4].—This is the first clause which makes mention of any person entering the Commonwealth being required to be in possession of a passport. There is no legislation on our statute-book demanding a person's possession of a passport upon entering this country. This measure makes provision for persons who are about to leave Australia being required to possess themselves of a passport for the reason that without one they will be unable to enter any other country. But from what source do the Government derive the right to demand that a traveller shall have a passport upon entering this country?

Mr. POYNTON.—No person could leave another country without having one.

Mr. TUDOR.—I am opposed to this system entirely.

Mr. POYNTON.—Does the honorable member wish to let any one come into the Commonwealth without let or hindrance?

Mr. TUDOR.—There are other Bills about to come before this House for consideration, including the Aliens Registration Bill and the Immigration Bill. In those measures the Government propose to take to themselves, by enactment, powers which they wielded under the War Precautions Act and its regulations. At the proper time I shall oppose those proposals and indicate my reasons for doing so.

Mr. POYNTON.—Does the honorable member wish to make Australia a dumping ground for all the derelicts of the world?

Mr. TUDOR.—I do not; but I do not forget that there are members of the Government who, because of a man's political opinions, would seek to prevent him from coming into Australia. If the Government intend that no man shall enter this country without being able to furnish a passport, let them make specific provision in this or some other Bill.

Mr. POYNTON.—No one can leave any other country without a passport, unless he stows away.

Mr. TUDOR.—Many better men than the Minister or myself have stowed away. In this Bill we are proceeding upon wrong lines, and I strongly protest against it.

Mr. POYNTON (Grey—Minister for Home and Territories) [3.9].—I have already indicated that any person who desires to leave another country with the intention of entering this must first procure a passport. That passport is examined upon the arrival of the individual in Australia. In some cases it may be collected, while in others it may be retained by the party concerned. If the views of the honorable member for Yarra (Mr. Tudor) were adopted, there would be no control over the type of individual who sought to come into Australia.

Clause agreed to.

Clause 6—

A passport or permit or pass to leave the Commonwealth, issued by or under the authority of the Government of the Commonwealth, may be cancelled by the permanent head of the Department controlling the issue of passports, or by some person thereto authorized by him, and the passport, permit, or pass, as the case may be, shall thereupon be void.

Mr. RYAN (West Sydney) [3.10].—Power is here given to the permanent head of a Department to cancel passports. Is the term “permanent head” defined in this measure, or specifically anywhere else?

Mr. MAXWELL.—He would be the *de facto* permanent head.

Mr. RYAN.—Whom would the honorable member call the *de facto* permanent head? The Minister is the head of a Department.

Mr. MAXWELL.—But he is not the permanent head.

Mr. RYAN.—I understand that, of course. I am raising the point concerning whether it is desirable to place such power in the hands of such a person.

Mr. McWILLIAMS.—Actually, in every instance, the Minister himself is meant.

Mr. RYAN.—No. Then the Minister is responsible to Parliament, but the permanent head is not. Why not give this power to the responsible Minister? I invite an explanation upon this matter.

Mr. JAMES PAGE (Maranoa) [3.11].—I move—

That the words “permanent head” be left out with a view to inserting in lieu thereof the word “Minister”.

No permanent head should have the right to say who shall come into or go out of the Commonwealth. The Minister is the person responsible to Parliament.

Mr. MAHON (Kalgoorlie) [3.13].—The amendment is very necessary. The permanent head of a Department is, of course, a responsible official; but he is not answerable to this Parliament, while the Minister is. The clause is defective in another respect. No explanation is provided to be given to the person whose passport is cancelled. He should be entitled to hear the reason. The clause may be made an instrument of great injustice. There should be some provision, either here or in some other part of the Bill, for the rendering of an official explanation, and to provide also for the right of appeal to the Government.

Mr. McWILLIAMS.—Does the honorable member mean an appeal to the Cabinet?

Mr. MAHON.—Yes, if necessary. Of course, one can appeal to the Cabinet now, I take it; but there should be specific provision that, while it may be within the discretion of a Minister to cancel a passport, he shall be required

to furnish reasons for so doing. As the Bill stands, he may refuse to give any reason at all. His attitude may be due to personal pique, or to political considerations, or he may be actuated by motives which could not bear the light of criticism. I think that we should provide against the abuse of this power.

Mr. MAXWELL (Fawkner) [3.16].—I am inclined to vote for the amendment unless the Minister can show why this power should be given to the permanent head of the Department. It is rather anomalous that a passport issued with the authority of the Government should be liable to cancellation by the permanent head of the Department.

Mr. POYNTON.—I accept the amendment.

Amendment agreed to.

Amendments (by **Mr. POYNTON**) agreed to—

That the following words be added:—

“and any person having in his possession or under his control any such passport, permit or pass shall, on demand by an officer, forthwith deliver it up to the officer.

Penalty: Fifty pounds, or imprisonment for three months.”

“2. The visé or indorsement on any passport may be cancelled by the Minister of the Department controlling the issue of passports or by some person authorized thereto by him, by notice in writing given to the person to whom the passport was issued, and after such notice has been served on the person to whom the passport was issued, the visé or indorsement to which it refers shall be void.

“3. Any officer may take possession of any passport bearing a visé or indorsement in respect of which a notice has been served under this section, and any person having in his possession or under his control any such passport shall on demand by an officer forthwith deliver it up to the officer.

Penalty: Fifty pounds, or imprisonment for three months.”

Mr. RYAN (West Sydney) [3.20].—The honorable member for Kalgoorlie (Mr. Mahon) has suggested that the Minister should furnish his reasons for the cancellation of a passport. That seems to me a fair request, and I hope that the Minister will accept the honorable member's suggestion, at all events, in regard to cases in which the persons whose passports are cancelled require reasons for the cancellation. The cancellation is a different matter from the refusal of a passport. If the honorable member moves an amendment, I shall support it.

Mr. MAXWELL.—The action of the Minister could be challenged on the floor of

the House, and an explanation demanded in any particular case.

Mr. RYAN.—Parliament might not be sitting.

Mr. POYNTON.—I cannot accept the suggestion.

Mr. MAHON (Kalgoorlie) [3.22].—If the Minister will not provide for the giving of reasons for the cancellation of a passport, should they be demanded, he might at least agree to an amendment providing that a list of cancelled passports, together with the reasons for their cancellation, should be laid before Parliament at the beginning of each session.

Mr. POYNTON.—Parliament can at any time demand of any Minister a statement regarding any of his actions. I see no need for a provision such as the honorable member suggests.

Mr. MAHON.—There is a similar provision in the Immigration Restriction Act. A minority in Parliament cannot compel a Minister to do what he does not wish to do.

Clause, as amended, agreed to.

Clause 7—

Any person who—

- (a) being the master of a vessel, discharges any alien seaman, signed on outside the Commonwealth, who has not previously lodged his passport with an officer authorized to receive it, or who has not previously been exempted from this requirement; or
- (b) knowingly harbors any person whom he knows, or has reasonable grounds for supposing, to have acted in contravention of this Act or the regulations made under this Act,

shall be guilty of an offence.

Penalty: One hundred pounds, or imprisonment for six months.

Mr. CHARLTON (Hunter) [3.24].—It seems to me that this clause may work hardship when read in conjunction with a previous clause. The crew of a vessel may be discharged in Australia, or have good reasons for leaving the ship here, or may be landed after a shipwreck, but if they have not provided themselves with passports they cannot remain here. It has frequently occurred in Newcastle that crews have been discharged, or have left their ships because of the treatment they had received, and, under the law as it stands, they have been able to get employment ashore, and have probably proved worthy citizens. But in future that will be prevented should they not have provided themselves with passports. Provision should be made for dealing

with the exceptional cases which will arise from time to time. Hitherto men coming to Australia in this way have often remained here and become good citizens, frequently getting naturalized after the necessary period of residence.

Mr. POYNTON.—The clause applies only to alien seamen who could not get into Australia except on the production of passports.

Mr. CHARLTON.—It is to alien seamen that I am referring. Under the clause as it stands men who, because they did not foresee that they would be discharged or would leave their vessels in Australia, did not provide themselves with passports, will be sent out of the country. We ought not to put obstacles in the way of increasing our population.

Mr. RYAN (West Sydney) [3.28].—It seems to me that there is a good deal in the contention of the honorable member for Hunter (Mr. Charlton), and that a reply should be made by the Minister. Is there means for remedying the fact that the men have not passports, in cases where it should be remedied?

Mr. POYNTON.—The object of the clause is to prevent aliens from getting into the country as seamen, who could not get into it under other conditions. The practice is to meet such cases if, on examination, it is proved that the persons concerned are of good character, and that the circumstances justify it.

Mr. RYAN.—Do I understand the Minister to give the assurance that this will be done in all cases where it should be done?

Mr. POYNTON.—Undoubtedly.

Mr. STEWART (Wimmera) [3.30].—The Minister's defence of the clause is that we ought not to allow alien seamen to come to Australia without running the gauntlet of the passport system which applies to other aliens, because, if we did, aliens wishing to enter without passports would do so by coming here as seamen. It must be remembered, however, that a crew of alien seamen might be shipwrecked on our coast.

Mr. POYNTON.—Would not a shipwrecked crew be dealt with considerably by any Minister?

Mr. STEWART.—But in other cases men who have signed on for the round voyage from the United Kingdom or the Continent to Australia and back again

may, for some reason or other, wish to break their contract and land here. There is no provision in the Bill to meet such cases, and if these seamen are not possessed of passports they will be compelled to carry out their contracts and return to the ports at which they signed on. These men ought to be placed in the position of being able to appeal to some tribunal which would enable them to escape from the present system, which is certainly not fair to the average alien sailor.

Mr. POYNTON.—The Immigration Restriction Act provides that aliens must be of good health, and must comply with certain conditions before they are eligible to land in Australia. Unless some check is provided quite a number of alien seamen, who might not prove to be good citizens, could be dumped down here. The usual practice in the case of alien seamen discharged in an Australian port and permitted to remain here is to inquire whether they are of good character and are in good health and so forth.

Mr. STEWART.—If that practice will apply in the case of seamen who, although not possessed of passports, wish to leave their vessels and remain in Australia, I am satisfied.

Mr. RYAN (West Sydney) [3.33].—Will the Minister be willing to reduce the penalty for this offence, which does not seem to be a very serious one? As it is now £100 or six months' imprisonment, it will make the offender liable to have his certificate of naturalization withdrawn, under the provisions of the Nationality Bill.

Mr. POYNTON (Grey—Minister for Home and Territories) [3.34].—Although the penalty provided is not the minimum I am prepared to meet the honorable member. I move—

That the words "One hundred" be left out and the word "Fifty" inserted in lieu thereof.

Amendment agreed to.

Amendment (by Mr. POYNTON) agreed to—

That the word "six" be left out and the word "three" inserted in lieu thereof.

Clause, as amended, agreed to.

Clause 8—

Any person who acts in contravention of this Act or the regulations made under this Act, or who is reasonably suspected of having so acted or being about so to act, may be taken into custody without warrant by any officer of Customs or police, or by any person authorized in that behalf by the Minister.

Mr. RYAN (West Sydney) [3.35].—I would like the Minister to inform me who are the police referred to in this clause who have power to arrest any person without warrant?

Mr. POYNTON.—They are the State police.

Mr. MAHON (Kalgoorlie) [3.36].—The Minister is fairly entitled to tell us under what criminal legislation an officer is authorized to arrest a person on suspicion that he is about to commit an offence?

Mr. POYNTON.—If you find a man in your back yard, you know that he is about to commit an offence.

Mr. MAHON.—There is no back yard to a ship. We are giving too much latitude to a policeman or a Customs officer in authorizing him to arrest a person whom he thinks is "about" to commit an offence.

Mr. POYNTON.—A similar provision has been in operation in the Immigration Restriction Act since 1905, since which time the honorable member has been a Minister administering the Act.

Mr. MAHON.—I should be pleased if the Minister would favour the Committee with that particular section. If it does exist it is not with my connivance or approval. I suggest the omission of the words "or being about so to act." It would be more graceful if the Minister would agree to their omission, but apparently as he does not seem willing to do so, I move—

That the words "or being about so to act" be left out.

A policeman might be possessed of a suspicious temperament or turn of mind, or might have a grudge against another person, and if that person shows any intention of committing an offence he has power to anticipate that a crime is about to be committed and effect his arrest.

Mr. POYNTON.—Section 14a of the Immigration Restriction Act provides—

Every officer may without warrant arrest any person reasonably supposed to be a prohibited immigrant offending against this Act, and no person shall resist or prevent such arrest.

Mr. MAHON.—I do not take exception to the words "reasonably suspected of having so acted," which are analogous to the words "reasonably supposed to be" in the section which the Minister has

quoted, and I do not propose their omission. I simply move to omit the words which give an officer power to anticipate the commission of an offence.

Mr. POYNTON.—Would you ask a burglar caught on your premises to wait while you went somewhere else to get authority to act?

Mr. MAHON.—There is no parallel between the two cases. In the one case a man is on premises where he has no right to be. In this case a man may be on board a vessel where he has a right to be. In any case the Minister has the power to act where a person is "reasonably suspected of having committed an offence," but I object to giving an officer power to arrest a man on suspicion that he is about to commit an offence, because for one thing it might be grossly abused. I submit my amendment in good faith, and with a view to making the measure as perfect as possible.

Mr. POYNTON.—It would make it impossible to administer.

Mr. RYAN (West Sydney) [3.43].—The Minister has taken rather a wrong view of the point put forward by the honorable member for Kalgoorlie (Mr. Mahon). The offences that can be committed against the Act are those of leaving Australia without a passport and coming into it without a passport. The words "reasonably suspected" can only apply to persons wanting to land from a ship without a passport, because there is an actual contravention of the Act when a person has landed without a passport, which he is not allowed to do, and if an officer has a reasonable suspicion that an offence is about to be committed there will always be plenty of time for him to get an information signed, and a warrant issued upon which the arrest can take place. The view of the honorable member for Kalgoorlie might be met by providing that any person committing the offence or about to commit it is liable to arrest without warrant. The legality of the arrest would then depend on whether in fact the person arrested was about to commit an offence, and not on the ground that there was mere suspicion that he was about to do so. At any rate, the amendment could be accepted without in any way weakening the security required by the Minister.

Amendment negatived.

Clause agreed to.

Clause 9—

(1) Any person who, for the purpose of obtaining a passport, makes any false or misleading statement, whether in writing or verbally, shall be guilty of an offence.

Penalty: One hundred pounds, or imprisonment for six months.

Amendment (by Mr. POYNTON) agreed to—

That after the word "passport," line 2, the following words be inserted "or a visé or indorsement of a passport".

Mr. RYAN.—The Minister was very reasonable in agreeing to reduce the penalty in an earlier clause, and I hope he will agree to correspondingly reduce the penalty in this clause.

Amendment (by Mr. POYNTON) agreed to—

That the words "One hundred" and "six" be struck out and the words "Fifty" and "three" be inserted in lieu thereof.

Clause, as amended, agreed to.

Clause 10 agreed to.

Title agreed to.

Bill reported with amendments.

Motion (by Mr. POYNTON) agreed to—

That the Bill be recommitted for the further consideration of clause 3.

In Committee (Recommittal):

Clause 3—

(1) Subject to this Act, no person who is, or appears to an officer to be more than sixteen years of age, shall embark at any place in the Commonwealth for a journey to any place beyond the Commonwealth unless—

(a) he is the holder of a passport or other document authorizing his departure; and

(b) his passport has been viséed or indorsed in the prescribed manner for that journey.

Penalty: One hundred pounds, or imprisonment for six months.

(2) Sub-section (1) of this section shall not apply to—

(c) any member of the crew of any vessel who signs on in Australia for an oversea voyage, and who satisfies an officer that he is by occupation a seafaring man;

(d) any person visiting New Zealand, or leaving the Commonwealth to settle in New Zealand, if he is in possession of a permit to visit New Zealand, or to leave the Commonwealth to settle in New Zealand, issued by the proper authorities in the Commonwealth, and if he travels in a

vessel trading solely between the Commonwealth and New Zealand;

- (e) any person returning to New Zealand, if he is in possession of a permit to visit the Commonwealth issued by the proper authorities in New Zealand;

(4) If any such exemption is granted subject to any condition, and the person to whom it is granted fails to comply with the condition, he shall be guilty of an offence.

Penalty: Fifty pounds, or imprisonment for three months.

Amendments (by Mr. POYNTON) agreed to—

That after the word "journey" in paragraph (b) of sub-clause 1 the following words be inserted "and the visé or indorsement has not been cancelled".

That the words "One hundred" and "six" in sub-clause 1 be struck out and the words "Fifty" and "three" be inserted in lieu thereof.

That in sub-clause 2, after paragraph (c), the following paragraph be inserted:—

"(ca) any natural-born British subject leaving the Commonwealth for New Zealand."

That after the word "person" in paragraph (d) of sub-clause 2 the following words be inserted "(other than a natural-born British subject)".

That the words "and if he travels in a vessel trading solely between the Commonwealth and New Zealand", in paragraph (d) of sub-clause 2, be left out.

That after the word "person" in paragraph (e) of sub-clause 2 the following words be inserted "(other than a natural-born British subject)".

That the words "One hundred" and "six" in sub-clause 4 be left out and the words "Fifty" and "three" be inserted in lieu thereof.

Bill reported with further amendments; reports adopted.

Standing Orders suspended and Bill read a third time.

ALIENS REGISTRATION BILL.

SECOND READING.

Mr. POYNTON (Grey—Minister for Home and Territories) [3.58].—I move—

That this Bill be now read a second time.

For a considerable time there has been inquiry as to when the Government proposed to get rid of the regulations under the War Precautions Act. This Bill proposes to repeal a number of them, namely, Statutory Rules Nos. 176, 216, 232, and 281 of 1916, Nos. 7, 97, 107,

125, 156, and 260 of 1917, and Nos. 155 and 270 of 1918. But it substitutes legislation enacting many of the conditions contained in those regulations. The purpose of the Bill is to control the registration of aliens in the Commonwealth. Registration has been in force for some time; as a matter of fact, 72,000 aliens are now registered, and the Bill will not require them to re-register. According to a statement made by the Minister for Defence (Senator Pearce) when in charge of this measure in another place, one of the greatest difficulties experienced by Great Britain in dealing with the foreign element in time of war was the absence of any scheme for the registration of aliens. In America they had a scheme in operation whereby the authorities could ascertain the locality in which an alien was residing, and this assisted them very materially on the outbreak of war. In Great Britain, the Government were at a great disadvantage, as they had no records, and the consequence was that a long time elapsed before a complete list of their alien population could be compiled. Our experience was very similar to that of Great Britain; and, in the absence of registration, great difficulty was experienced in ascertaining the exact locality of the aliens in our midst. The Bill provides that every alien who arrives in the Commonwealth shall immediately register; and in this connexion I may mention that we do not propose to go as far as the English law. In Great Britain, the alien has not only to register, but the keepers of boardinghouses, hotels, and all residential establishments, have to keep a register of the aliens residing therein, and have also to report to the authorities their arrival and departure. We make provision, however, that all aliens arriving in the Commonwealth, whether by boat or by other means, shall register, and that masters of vessels shall provide the authorities with particulars concerning aliens travelling on vessels of which they are in charge. It is also mandatory on the part of an alien to advise the Department of any change of abode. In the Bill as originally introduced it provided, as in the English Act, that, in addition to registering, the keepers of residential establishments should keep a

record of all aliens living in such establishments; but that provision was deleted by the Senate. The Bill also provides that the master or member of a crew of a vessel who is an alien, and who enters the Commonwealth, unless he is exempt, shall register. The responsibility is thrown on the captain of a ship, unless it is a public vessel, of granting every facility for the officers of the Customs or Immigration Departments to ascertain who is travelling on a vessel, and their nationality. The Bill does not apply to tourists, and the conditions that obtain to-day will remain in force. It is not intended to create a new Department.

Sir ROBERT BEST.—How do you intend to distinguish a tourist?

Mr. POYNTON.—The tourist has to make the necessary application to travel in the Commonwealth for a certain period.

Sir ROBERT BEST.—For how long?

Mr. POYNTON.—The time varies; but it is usually from six to twelve months. Instances have arisen where an extension of time has been sought and granted. Any extension of time is determined by the Minister; and, since I have been in charge of the Department, there have not been many cases of this character. In the English law, there are some very drastic provisions; and in section 1 of the Statutory Rules and Orders relating to aliens, it is provided that an alien coming from outside the United Kingdom shall not land in the United Kingdom except with the leave of an immigration officer. It also provides that leave shall not be given to an alien to land in the United Kingdom unless he complies with certain conditions set out in the Statutory Rules and Orders. He has, for instance, to be in the position to support himself and his dependants. Section 5 provides—

The master of any ship landing or embarking passengers coming from outside the United Kingdom at any port in the United Kingdom, shall furnish to such person, and in such manner as may be prescribed, a return giving the prescribed particulars in respect to any passengers who are aliens, and any passenger shall furnish to the master of the ship any information required by him for the purpose of the return.

There is a similar provision in this Bill, and it enables the authorities to record the aliens arriving in Australia. The English Statutory Rules and Orders also

relate to the registration of aliens, the responsibility of boardinghouse-keepers and others, and make it mandatory for them to report the movements of aliens residing in their establishments; but our Bill does not go as far as that.

Mr. TUDOR.—From which Act is the Minister quoting?

Mr. POYNTON.—The Statutory Rules and Orders relating to aliens, dated 18th August, 1919. There is an amending regulation dealing with the continuance of emergency powers for controlling the employment of aliens on ships, deportations, temporary restrictions regarding employment on British ships, and quite a number of other matters. The regulation has been framed to prevent the dumping of persons who cannot be regarded as desirable citizens. The Bill is one consisting of only a few clauses, and I think its provisions can be more fully explained in Committee.

Debate (on motion by Mr. TUDOR) adjourned.

IMMIGRATION BILL.

SECOND READING.

Mr. POYNTON (Grey—Minister for Home and Territories) [4.11].—I move—

That this Bill be now read a second time,

This Bill was introduced into this House last session, and honorable members will recollect that it had fair consideration. I refer honorable members to the speech delivered on 20th August, 1919, by my predecessor (Mr. Glynn), who gave a long and interesting history of our immigration laws. The Bill passed the second-reading stage, but did not pass the Committee stage in consequence of the session terminating. The Bill now before us, and which has already passed the Senate, is an exact copy of the Bill introduced last year, with the exception that what was regarded as the objectionable term "anarchist" has been deleted by the Senate. It is a machinery measure designed to improve the working of the Immigration Act, and includes some new provisions, which, in the opinion of the Government, are necessary to meet the present condition of affairs in the world. The Bill considered last year, included a list of persons whose admission into the Commonwealth was prohibited;

and it is now proposed to add to that list, as we are now asking for power to keep out of Australia persons who are advocating the overthrow by force of the Government of the Commonwealth or other civilized country, or who are opposed to organized government, or who advocate the assassination of public officials, or advocate or teach the unlawful destruction of property, or who are members of any organization which proclaims these doctrines and practices. In Australia we live under a form of government which is exactly what the people of Australia make it, as our citizens can vary the system of government through the exercise of their powers at the ballot-box. We do not desire to have in our midst any of those who wish to bring about changes by violence or force. In the debates last year it was urged that, under the provisions of the measure as originally introduced, which included the word "anarchist," the Government would be entitled to prohibit the admission of a man of high ideals who would seek to abolish all laws and substitute a system in which there was no Government and no law, because all the people in the country would be actuated by the highest motives of honour and justice. Honorable members know, of course, that that is merely a specious objection, but we have met it by agreeing to withdraw from the Bill the word "anarchist." As it now stands, we are asking simply for the right of exclusion of persons who would be a real danger to the community. Similar laws exist in other countries; in fact, in the United States Act, the section dealing with this matter is much more drastic than is the clause in the Bill which I now place before the House.

We propose, secondly, to keep out of the country, for five years at any rate, all citizens of the nations who were our enemies in the recent war. While there may be a great deal to be said for individuals, even for individual Germans and Austrians, still, the hard thoughts engendered by the war, the sorrows and bitternesses which were created, are yet too fresh in our minds and hearts for us to desire to welcome any Germans, Austrians, or Turks as our fellow-citizens. The years may mellow our feelings in this regard, and for that reason this prohibition is to apply for only five years,

Mr. Poynton.

and may then be withdrawn by a proclamation issued by the Government.

Thirdly, we want to take formal power to prohibit the admission of persons who have not passports. All recognised Governments of the world at present issue passports to their citizens going abroad. If a person has not a passport he must be taken to be regarded by his own Government as an undesirable of whom they are glad to be rid, and we do not want the discards of other countries to come here. In regard to this prohibition the Bill permits of an arrangement being made with any other country similar to that for which provision was made in the passport law recently passed by us, and which deals with persons going out of the Commonwealth. In other words, under this Bill it will be open to any other country at any time to come to an arrangement with us for the abolition of passports so far as concerns our respective citizens. It is not the desire of the Government to maintain the passport system any longer than is necessary, and it is hoped that under the authority of the clause to which I refer we shall in time have such a set of arrangements that the passport system will be practically abolished.

The fourth class whom we want to exclude comprises persons who have been deported from Australia. It would be farcical if we had the right to deport any objectionable person and that person were to have the right of free admission once more to our community. Take, for instance, the principal Act, which gives the right to deport an alien who has committed a crime of violence against the person. We exercise our power of deporting such a person because we regard him as a menace to the community, and we claim, as a natural consequence of the power of deportation, the power of keeping out any persons we have sent out.

Later in the measure we have asked for power to deport certain classes of persons. Notwithstanding the precautions that we may take, it may happen that undesirable persons will obtain admission. They may not have been known to be undesirable when they came, but if, within three years after their arrival, they prove that they are unworthy of Australian citizenship by having been convicted of criminal offences, by living on the prostitution of others, or by advocating the overthrow of civilization by

force, then we claim the right to send such persons out of the country. If we take the power to exclude certain classes of people who, despite our precautions, succeed in getting in, it is only logical to say that, as soon as we find out that they belong to these objectionable classes, we should have the right to send them out. We do not claim, however, to be allowed to exercise that power of deportation in an arbitrary manner. First of all, the Minister has to be satisfied that an individual of whom complaint is made is one of the objectionable classes. If he is so satisfied, he may appoint a Board to inquire into the allegations, and, on receipt of the report of that Board, which must be an entirely independent and semi-judicial body, the Minister may order deportation.

The rest of the Bill, as I have said, consists of technical amendments which have been found necessary in the working of the principal Act. We are amending section 3 of the principal Act, which prohibits the immigration into the Commonwealth of certain persons by adding to the list of prohibited immigrants—

Any idiot, imbecile, feeble-minded person, epileptic, person suffering from dementia, insane person, person who has been insane within five years previously, or person who has had two or more attacks of insanity.

Then, again, we have added to the list—

Any person who advocates the overthrow by force or violence of the established Government of the Commonwealth, or of any State, or of any other civilized country, or of all forms of law, or who is opposed to organized Government, or who advocates the assassination of public officials, or who advocates or teaches the unlawful destruction of property, or who is a member of or affiliated with any organization which entertains and teaches any of the doctrines or practices specified in this paragraph.

The Bill also proposes to amend section 4 of the principal Act, by providing that the owners, agents, or charterers of the vessel by which an undesirable has arrived here—

may at any time within three years after the person entered the Commonwealth be required by notice in writing given by an officer to provide a passage for him from the Commonwealth to the place whence he came.

There is also an important amendment of the principal Act providing for an exemption from the passport provision in the case of countries with which arrangements have been entered into on the lines to which I have already referred. Sub-clause 2 of clause 7 deals with the de-

portation of certain persons, and provides that the Chairman of the Board before whom the person accused is required to appear shall be a person "who holds, or has held the office of Judge, or police, stipendiary, or special magistrate." I need not go into further details at this stage, since the measure is essentially one which can be more readily dealt with in Committee.

Debate (on motion by Mr. TUDOR) adjourned.

QUARANTINE BILL.

Mr. SPEAKER reported the receipt of a message from the Senate intimating that it had agreed to the amendments made in this Bill by the House of Representatives.

TREATY OF PEACE (GERMANY) BILL.

Bill returned from the Senate without amendment.

TREATIES OF PEACE (AUSTRIA AND BULGARIA) BILL.

Bill returned from the Senate without amendment.

ESTIMATES, 1920-21.

In Committee of Supply (Consideration resumed from 20th October, *vide* page 5837):

THE TREASURY.

Divisions 25 to 36, £1,109,899.

Mr. TUDOR (Yarra) [4.30].—We recently passed a Bill introduced by the Treasurer amending in certain respects the Entertainments Tax Act. That Bill went to another place, and, although it was a measure dealing with the imposition of taxation, the motion for its second reading was there negatived. We have heard nothing from the Treasurer regarding that matter, and I wish to know what attitude the Government intend to take upon it. I have read in the newspapers that honorable members opposite, eliminating members of the Country party, attended a party meeting at which a full explanation was given of the reason why the Entertainments Tax Bill was rejected by the Senate, and why the proposal by certain senators that the sum of £250,000 thus saved by the Treasurer, should be utilized to enable a larger exemption to be granted to taxpayers with children under sixteen years of age, was

abandoned. I would like to know the reasons which actuated the Government in making this Chamber subservient to the Senate, seeing that this is the only branch of the Legislature which has the power to impose taxation? Of course, I know that what has been done suits wealthy honorable members opposite, who have no objection whatever to £250,000 being exacted from the poorer sections of the community who patronize our cheaper classes of entertainment. The effect of the action of the Senate in regard to the Entertainments Tax Bill was to impose taxation upon the people. Later on the Government induced its followers in that Chamber to withdraw their proposal to increase the deduction allowable to taxpayers on account of children under sixteen years of age. I object to the Estimates of the Treasurer being passed in the absence of a full explanation upon this matter. The Senate rejected the Entertainments Tax Bill.

Mr. JACKSON.—It is still upon the business-paper.

Mr. TUDOR.—It is not. Save upon these Estimates, honorable members will have no opportunity of protesting against the action of the Government in this connexion. Unless the House of Representatives takes up a very definite stand in defence of its exclusive right to impose taxation, the time may come when the Senate will assume that it possesses the power which it recently arrogated to itself. Those honorable members who were present in the first Commonwealth Parliament know that objection was raised in this Chamber to the action of the Senate in seeking to make alterations in the first Tariff schedule. I regret that the Treasurer is not in his place to offer an explanation of this matter, but I hope that honorable members will insist upon an explanation being forthcoming.

Mr. CHARLTON (Hunter) [4.35].—I desire to voice a complaint in regard to the provision of postal facilities in the important town of Cessnock, in New South Wales. I have waited patiently for a number of years to ventilate this grievance, because during the war period, in common with other honorable members, I thought it inadvisable to embarrass the Government by giving local

needs undue prominence. But at Cessnock to-day the postal accommodation is altogether inadequate. I understand that the reason why urgently-needed improvements are not effected is that the Treasurer has cut down the Postal Estimates. Cessnock is, perhaps, one of the largest inland towns in New South Wales from the stand-point of population.

The CHAIRMAN (Hon. J. M. Chanter).—I would remind the honorable member that there is no vote upon the Treasury Estimates in respect of the matter to which he is referring.

Mr. CHARLTON.—Then I shall not discuss it. I understand that the Treasurer has consented to amend the Invalid Pensions Act in the case of blind pensioners. In that, I am entirely in accord with him. But I would remind the right honorable gentleman that at the present time the Act does not operate in the way that it operated when the Miners' Accident Relief Fund was in existence. That fund conferred certain benefits upon men who became disabled while following their ordinary calling. If, unfortunately, one of their number was compelled to apply for a pension the assistance which he received from the fund was not taken into consideration in determining the amount of his pension. The Statute under which that fund was created has, however, been superseded by the Workmen's Compensation Act. The result is that when a man becomes incapacitated, and applies for a pension, the amount which he receives under the Workmen's Compensation Act is taken into consideration in assessing the amount of his pension. Thus, if a man who has a family of six or seven to support is in receipt of £2 per week under the Workmen's Compensation Act, the invalid pension granted to him is cut down considerably. When the Treasurer looks into this matter, I ask him to put the workers in our mines in exactly the same position that they occupied prior to the Miners' Accident Relief Fund becoming defunct. I hope that the Act will be amended before Parliament goes into recess in such a way as will do justice to those who are suffering from blindness.

I also desire to urge upon the Treasurer the necessity for impressing upon the Taxation Commission the need for

expediting its labours, with a view to arriving at finality as early as possible. I recognise that the field of inquiry which has to be covered is a large one; but if the investigation is to be an effective one so far as the collection of next year's tax is concerned, it must be completed quickly. To my mind, the general exemption under our Income Tax Act should be very much higher than it is. Instead of being £156 it ought to be in the vicinity of £300. I know that the Treasurer has promised to consider the recommendations of the Commission at the earliest possible moment. Personally, I am very doubtful whether effect can be given to those recommendations in connexion with next year's assessments; but if relief can be granted to the poorer sections of the people, a very great benefit will be conferred upon them.

I notice in the Estimates for this Department an item of £214,815, in connexion with the Postmaster-General's Department.

Sir JOSEPH COOK.—That is for interest upon transferred properties.

Mr. CHARLTON.—It does not matter what it is for, I can discuss my grievance regarding the postal facilities at Cessnock under that heading.

The CHAIRMAN.—I think that the honorable member had better defer his remarks in that connexion until we reach the Postmaster-General's Department.

Mr. CHARLTON.—I would prefer to discuss the matter upon the Estimates for the Postmaster-General's Department. But time is running on, and the Treasurer may be able to reconsider his decision in regard to this matter, and to place a sufficient sum of money at the disposal of the authorities to provide the necessary postal accommodation at Cessnock.

Sir JOSEPH COOK.—I will tell the honorable member what I can do, and what I promised one of his colleagues that I would do. If I find that the work which he mentions is one which should be gone on with, I can get it carried out without reference to the House, and get my action indemnified afterwards.

Mr. CHARLTON.—For some years, I have been endeavouring to get an up-to-date building in this particular district, which is a very important one, and one which fully justifies the erection of such an office. Cessnock possesses the largest

population of any inland town in Australia. Its population is growing rapidly. That being the case, I take exception to the way in which the Department proceeds to erect a building there. An office is built in a neighbourhood where it is obvious that there will be rapid expansion; yet that office is constructed in keeping with the requirements of the moment, and with no thought even to the immediate future. I do not wish to go further into details, but, in view of the fact that consideration of the Postmaster-General's Department may be very limited, and at the close of the session, I bring this specific matter before the Treasurer, and ask if he will see whether the sum set down for the requirements of Cessnock is really sufficient.

Sir JOSEPH COOK.—I will promise to look into the point.

Mr. JACKSON (Bass) [4.47].—Can the Treasurer say how the proposals for the co-ordination of the State and Federal Taxation Departments are proceeding? The estimated expenditure in connexion with the Federal Department grows year by year, and last year the expenditure exceeded the Estimates by a considerable sum. Seeing that each State has its separate Taxation Department, a large amount could be saved and greater efficiency brought about by co-ordination.

Sir JOSEPH COOK (Parramatta—Treasurer) [4.48].—The inquiry is proceeding. Mr. Ewing has been in Western Australia during the past fortnight examining the position there; and I hope it will not be long before the Government are informed of a concrete proposal with which to go to the State Premiers. The sooner that stage is reached the better. As for the increased amount shown on the Estimates in respect of this Department, it is quite deliberate, and if any further increases of the same character are sought I shall authorize them. I am informed that at present we have no trained body of investigators. The result is that we are losing hundreds of thousands of pounds every year. Every individual who escapes taxation throws an added burden upon those who do not. We desire to make matters as fair as possible. If by placing an additional £30,000 on the Estimates I can secure a return of £300,000, it will be agreed that I am making a very good bargain.

Mr. RYAN (West Sydney) [4.50].—The honorable member for Yarra (Mr. Tudor) raised an important question regarding the action of another place in rejecting certain proposals of this Chamber having to do with the partial abolition of the entertainments tax, and he asked that the views of the Government be made known to honorable members. I would be interested to hear the Treasurer upon the point. It is one of very great importance not only to this Committee, but to the country generally. How do the Government view the action taken elsewhere in regard to the rejection of their financial proposals, and what are their views upon the specific subject itself?

I desire to introduce the question of making negotiable soldiers' war gratuity bonds. A debate was initiated in this chamber last week, and some very cogent arguments were placed before honorable members; but, for some reason which was not explained to honorable members or to the country, the honorable member for Illawarra (Mr. Hector Lamond) secured the adjournment of the debate. The honorable member's action may have been taken with one of two purposes in view, namely, either to shelve the subject, or to have the debate continued at some future date. I wish to know if, and when, a further opportunity will be given to debate the question of making war bonds negotiable.

Mr. MARR.—On the 18th December.

Mr. MAXWELL.—Or in the Greek Kalends.

Mr. RYAN.—Probably the latter was in the mind of the honorable member for Illawarra when he moved the adjournment of the debate. I trust that the Treasurer will state whether an opportunity will be afforded honorable members of coming to a conclusion upon the subject.

It is known to honorable members that the time has arrived when the old-age pensions should be increased. The sum of 15s. is not sufficient in view of the high cost of living. I trust that the Government will take steps to have the Act amended in the direction of increasing the amount to £1.

Mr. MAKIN (Hindmarsh) [4.56].—The subject last raised by the honorable member for West Sydney (Mr. Ryan) is one which I had determined to advance

had no other honorable member done so. Abnormal circumstances, reflecting upon one's ability to live, prevail to-day, yet inadequate provision has been made to assist old-age pensioners. There are people in Australia who are amassing fortunes, and it is only right that their wealth should be drawn upon for the assistance which it is desired to render to our indigent old folk. While every sympathy is exercised by the Department in the matter of claims, conditions exist which should not be permitted. An injustice is often done to people having legitimate claims for consideration. It is possible for one to be a penniless invalid and not be entitled to receive a pension. I have in mind a case of a young man, about twenty-eight years old, who was living with his father and mother. He applied for, and received, the invalid pension. Later, he thought he would endeavour to do something towards the maintenance of the home. His father paid down a deposit upon a motor, in order that the son might ply for hire. Unfortunately, the efforts of the latter were not so successful as had been anticipated, and the car was sold. Before setting out on the venture, the son had acted with commendable honesty in notifying the Department that, as he was setting out to work on his own behalf, it was his desire that the pension be suspended. It was suspended, and when the young man found his venture unsuccessful he made application for its renewal. I may say that renewal had been promised, in the circumstance of his making application in that direction. After a few weeks, however, he was informed that, since his father was receiving an amount in wages which averaged more than £1 a week for each member of his family, he would not be entitled to benefit by the invalid pension, and the sum was withdrawn. I made personal investigations, and learned that, although the son was an adult citizen, enjoying the usual rights of citizenship, he was still regarded as being dependent on his parents. Thus his invalid pension was stopped. Had he lived anywhere else but in his parents' home, he would have been entitled to the invalid pension.

Sir JOSEPH COOK.—What is the matter with the young man?

Mr. MAKIN.—He is a tubercular invalid. In other cases persons entitled to the old-age pension are deprived of its enjoyment on some mere technicality. For instance, aged people, who, on account of increasing feebleness, decide to live with perhaps a married son or a married daughter, find, immediately they make the change, that some deduction is made in their pension allowance, owing to the house which has become their own property by thrift, which sometimes entailed in earlier periods of life constant sacrifice to accumulate the amount sufficient, now by non-occupancy having a rental value. The scope of the Act might very well be widened to cover all such cases and remove hardships which at present are being inflicted upon some of these aged people. The Commissioner should have greater discretionary power. I pay a tribute to the manner in which the Pensions Department is carrying out their work. The Deputy Commissioner of South Australia has always evinced deep sympathy with the position of pensioners, but I know that he is circumscribed in his administrative acts by all kinds of technicalities, and the Commissioner and Deputy Commissioners have not sufficient discretionary power. It is with the desire of helping these people that I urge upon the Government a reconsideration of many of the provisions of the Invalid and Old-age Pensions Act. As a young Australian I realize what we owe to our pioneers. I realize how much I owe to my own parents for having passed down to me such a rich heritage as I find in this country, and if I can do anything to make the portion of the aged and invalid people easier than it is, I shall be only too glad to do it. There is another matter, the position of the blind pensioners, which I have brought under the notice of the Treasurer on other occasions. I hope that the present restrictions upon their ability to supplement their income will be removed. I think the Treasurer is sympathetic in regard to this request. Permission should be given to them to earn money without having their pension rights interfered with. Blindness is one of the greatest afflictions, and we should see to it that pensions are given as a right, and not as a favour, to all who are invalided or aged. I also wish to impress upon the Government the necessity for increasing the amount of

pension allowances, owing to the increasing difficulties due to the high cost of living and other abnormal conditions that are prevailing. In this way we may substantially help these afflicted and aged people over the present very difficult times.

Dr. MALONEY (Melbourne) [5.9].—

I desire to protest, as briefly as possible, against the position of the Commonwealth Bank. Nominally it belongs to the people of Australia, but if one may judge from the answers furnished me by the Treasurer (Sir Joseph Cook), it belongs to the Governor of the Bank (Sir Denison Miller). I am in a quandary. I believe that if he cared to do anything in connexion with the Bank this Parliament would have no power to prevent him. The original idea was that the Commonwealth Bank would be owned by the nation. What check have we upon Sir Denison Miller? I do not, of course, impugn his honesty. Luckily for Australia he is an honest man. If he were otherwise this Parliament could do nothing. This is, I believe, the most serious charge that has ever been made against any national bank in the world. So far as I am aware no other country in the world would allow such huge sums of money to be under the sole direction of one man, as is the case with the Governor of the Commonwealth Bank. Why should a certain firm of architects have the sole benefit of the Bank's building activities? Not only are the firm of Kirkpatrick & Co. established in the Commonwealth Bank premises of Sydney, but they seem to be able to do as they like. I am not impugning their ability, but I do say that there are other and better architects in Australia, including returned soldiers, who are not getting a "dog's show" in the way of competition for the Bank's business. And what a record the architects of Australia have! I do not know of any other profession with a better. I may perhaps be permitted again to mention that when those belonging to the profession returned from the war, the architects who, because of age or invalidism, had remained in Australia, became their hosts, and every host had four returned soldier architects as his guest. In the case of the President of the Institute of Architects, every member of the firm offered his services; and even the brave typewriter girl went to the Front as a

nurse. Notwithstanding the sacrifices which our architects made during the war, they came back to find that this firm of Kirkpatrick and Company were given a monopoly of all the work in connexion with the war service homes. I have been unable to get an answer from the Treasurer as to how much money has been paid to this firm. In all my thirty years of political life, I have never seen anything so nearly approaching nepotism. Why cannot our brave returned men of the profession have an opportunity to compete for the design of the proposed new Commonwealth Bank in Melbourne? Why should this work be given to one particular firm? I asked if any member of that firm had offered his services during the war. The Minister could not tell me. I do not say that he did not want to know, but, as head of the Department, I should like to know why he did not make an inquiry and find out.

Sir JOSEPH COOK.—Because under the terms of the Bill which your party put through, the Governor of the Bank is made independent of the Government in all matters.

Mr. JAMES PAGE.—And quite right, too.

Dr. MALONEY.—I am glad I erred in the company of the late Lord Forrest, a former Treasurer of the Commonwealth. I do not know any financial man in Melbourne or Sydney, and I have interviewed many, who is prepared to say it is right that the Commonwealth Bank business should be under the dictatorship of one individual.

Mr. JAMES PAGE.—That is the whole secret. All these banking friends of yours are envious of him. That is what is the matter.

Dr. MALONEY.—Has the Governor of the Bank of England the power that is vested in Sir Denison Miller? Absolutely no. I invite honorable members to read the report of the greatest Commission of banking experts that ever went to Great Britain from America. The report, running to many volumes, is available to them. The affairs of every bank were investigated. Not one single bank has made the progress that this bank has made. Now we are to hand over to it the issuing of notes. Is this man to have uncontrolled power in regard to the notes issue?

Sir JOSEPH COOK.—No; he will be one of the Board of four.

Dr. MALONEY.—I compliment the Government on having made that arrangement. This Government is not to blame for the state of affairs that I am criticising. It is the silly fool Parliament, of which I was a member, that passed the Bill authorizing the establishment of the Bank, and the foolish Government, of which I was a supporter, that introduced the Bill, that are to blame. A few financial members—the late Lord Forrest was one of them—warned us against doing what was done. To Mr. King O'Malley most credit is due for the establishment of the Commonwealth Bank, but had his ideas been carried out, Mr. Denison Miller would not be the autocrat that he now is. The honorable member for Maranoa (Mr. James Page), who served in the Imperial Army and risked his life with the bravest in the Zulu war, will admit that Australians should have a chance to compete for work to be done in Australia. I am sure that the honorable member for Grampians (Mr. Jowett), whose financial knowledge I recognise, does not approve of one man having sole control of a mighty enterprise like this.

Mr. HECTOR LAMOND.—You cannot say that the Governor of the Commonwealth Bank is not managing it well.

Dr. MALONEY.—I have never said otherwise; but the honorable member cannot point to an instance in which any other bank started with the same advantages as our Bank had in the beginning.

Mr. HECTOR LAMOND.—One of its greatest advantages was being in charge of the man appointed to control it.

Dr. MALONEY.—If the honorable member studies the report to which I have referred, he will admit that my contention is right. In any case, he will, I think, agree with me that Australian architects, especially those who went to the war, should have the right to compete for the designing of the bank that is to be erected in Collins-street. I should like every public work that is to cost above a certain sum, say, £20,000, or whatever might be the amount fixed upon, to be open to the competition of local architects. Dozens of architects have resented the injustice that is now done to their profession.

I desire to add to what has been said by the honorable member for Hindmarsh (Mr. Makin) about the old-age pensions.

It is hard to think that anyone can exist nowadays on 15s. a week. I have known what it was to live in London on 10s. a week, but that was long before the war. I lived there also on £10 a week—a mighty different state of affairs. But there seems to be a mad feeling abroad in regard to economy, and, unfortunately, economy at the expense of those least able to bear it. It must not be forgotten that every penny which is paid in pensions is spent in Australia. Denmark gave, twenty-five or thirty years ago, a pension of 10s. a week, and then 1s. there was equal to 2s. in Australia. In Switzerland there has not been a pauper buried for the last twenty-five years. They have removed that stigma on Christianity, a pauper burial; but we have not reached the same stage of civilization. When it was proposed to pass a Bill to give the late Chief Justice of Australia a pension of £5 a day, I said that I would be glad to have as much as that a month for the old-age pensioners. The money paid in pensions is not provided by us, or by the high society of Australia; it is the people who provide it. Those who belong to the upper classes contribute, but in accordance with their numbers, not in accordance with their wealth. When I applied for an old-age pension I was turned down. Mr. Watt suggested that I should see the Deputy Commissioner of Pensions.

Mr. JOWETT.—Doubtless the honorable member's application was refused because he did not look old enough.

Dr. MALONEY.—Lord Chesterfield will never die while we have the honorable member with us. I asked Mr. Watt to provide for me as he had done for Sir Samuel Griffith by means of a special Bill. It was not that I needed the money, but that I wanted to show every old man and every old woman in Australia that there was no disgrace in applying for a pension. At the present time an old-age pensioner possessing a home worth £5,000 receives the full pension; but a pensioner with £300 in the bank has to suffer deduction from his pension.

Mr. McWILLIAMS.—Those who remain idle get the full pension, and those who earn for themselves have the amount of their earnings deducted from their pensions.

Dr. MALONEY.—A man who had put £400 into war bonds to help his country would have the interest deducted from his old-age pension, but a man with double that sum invested in a home would have no deduction. I think that every man and woman on arriving at a certain age should be at liberty to draw a pension. Wealthy pensioners we could still get at by taxation.

A few words about the invalid pension. Why should it be given only to those who are sixteen years, or more, of age? An invalid of fifteen years and eleven months, or of twelve years, may be equally necessitous. There are many persons not too well blessed with this world's goods who have a great struggle to provide for invalid children, and I cannot understand why assistance should not be given to them. As a Victorian, I am ashamed of the present Treasurer of the State, Mr. McPherson, who has been little enough to do away with the compassionate allowance which used to meet cases untouched by our Federal pension system. When he opposed me for the Melbourne seat he was a straightforward opponent, but he was not then a rich man, whereas to-day he is very rich, and is making very large profits. When the Federal authorities could not assist, I used only to have to write to the Sub-Treasurer of Victoria, saying that the case was serious, to get an inquiry made, and assistance given. Mr. McPherson has saved the State a few thousands a year, but it is at the expense of the very poor.

No country can call itself civilized which permits blind persons to beg in the streets. We, who have wasted millions of pounds upon war, should give pensions sufficiently large to prevent that.

Mr. McWILLIAMS.—It would have to be a big pension to keep some blind men from begging.

Dr. MALONEY.—I would give a fair pension, and would prohibit begging. I have received from a blind man whom I knew as a splendid journalist a letter which has impressed me with a sense of the misery of the blind. It is written in pencil, and honorable members may see it. The writer is too old to learn a trade, and cannot do anything to add to his pension, which is only 15s. a week. I have known this man for thirty years.

I have known him to be a straightforward, honest, good man, but he cannot possibly increase his 15s. a week. Will the Treasurer get one of his officers to obtain, through Mr. Knibbs, the number of those who are blind, and what it would cost the community to double the pension?

Sir JOSEPH COOK.—I know that.

Dr. MALONEY.—I do not believe that any blind man who receives a sufficient pension should be permitted to beg in our streets. A great philosopher said that no country could call itself civilized until it spent more on education than on war and warlike preparations. Switzerland, for one brief period, was the only nation that could make that claim. At one time she did spend more on education than on preparations for war; but, unfortunately, the disturbance in Europe terminated that desirable state of affairs, and at present, like all other nations, Switzerland must waste money on the cursed policy of preparing for war. Any honorable member may read this sad letter, which, I am sure, must appeal to every one. There are laws against begging, but no laws against begging by blind people. It may be said that they receive large sums of money; and some may have done so. In the bank that I was in, a blind man had deposit receipts running into hundreds of pounds; but that does not justify us as a civilized community, in allowing the stigma to remain on us. I hope that the Government which leads our Commonwealth civilization, just as in many matters the Commonwealth leads the world, will decide that from a certain date no beggars shall be allowed in our streets, but that a fair and just pension shall be given to the blind, whose numbers after all, comparatively speaking, are so few.

Sir JOSEPH COOK (Parramatta—Treasurer) [5.34].—I am, of course, entirely sympathetic as to the last point raised by the honorable member for Melbourne (Dr. Maloney), but the trouble is that I cannot get any guarantee that the whole question will not be re-opened. I have had thoughts of throwing myself upon the House in this matter, and paying the money in anticipation of parliamentary approval. I do not like doing that, but it is the simplest way out of the difficulty. The difficulty, as far as I

see, is a very real one. However, the question will not be lost sight of. If I do not reply in detail to all the hard cases mentioned this afternoon, it is because they will be recorded in *Hansard*, and will receive attention to-morrow morning.

Mr. McWILLIAMS.—The question of the blind ought to be dealt with specially, and at once.

Sir JOSEPH COOK.—I agree.

Mr. MATHEWS.—There are other cases equally bad.

Sir JOSEPH COOK.—The honorable member's interjection shows the difficulty I am in. He has a hard case to bring forward every day. He brought me one yesterday, on which, however, I think I blew him out. I am always glad to consider these cases as they come up, and I hope that when I leave the Treasury, I shall not have a bad record in the way of compassionate allowances. We have to get through the technical details in some way or other, and a Treasurer is sometimes justified in expecting the House to indemnify him in these hard cases.

Mr. MATHEWS.—You ought to have the power.

Sir JOSEPH COOK.—No, I think it is wise to have appropriate statutory restrictions on the Treasurer.

I shall refer to one or two of the other matters of policy, as well as of cash referred to by honorable members. The first relates to the entertainments tax. My position is a very strange one; but what can a man do when £250,000 is thrown at his head?

Mr. TUDOR.—What are you going to do when the Senate takes the power to deal with money Bills? It has no right to do so under the Constitution.

Sir JOSEPH COOK.—The Senate has no right whatever to impose taxation, but nothing can be done in the meantime, whatever my honorable friend may say about it. No Bill has been returned, and no Bill, therefore, can go up in its place for at least three months, under the Constitution. With all these limitations about him, what can a poor Treasurer do? In the meantime, the money is flowing in, and is very welcome, and as it flows in my honorable friends are asking that it shall flow out. So have we not got the balance amongst us, and why need we worry so much over a little matter of that kind?

However, the whole question is still under the consideration of the Government. I hope the Leader of the Opposition will believe that, whatever happens, the Government will do the right thing in the matter of the entertainments tax. Does that satisfy him?

Mr. TUDOR.—It certainly does not satisfy me when you hand over to the Senate the right of taxation.

Sir JOSEPH COOK.—I think it is not a case of that kind. I suggest that the honorable member should leave the matter until he is able to criticise the sequel to all this business. In the meantime, we can do nothing. The Senate has thrown the Bill out, and so disposed of it as it is entitled to do under the Constitution.

Mr. TUDOR.—You can refuse to collect the tax on those amounts, and then see what the Senate will do.

Sir JOSEPH COOK.—Can we? Catch a Treasurer refusing to collect a tax to which he is entitled! I have never been disposed to adopt those cyclonic methods in connexion with the finances of the Commonwealth. I had better tell the honorable member that we are saving this tax so that he can get all the credit of remitting it by-and-by. He is pledged up to the hilt to sweep it all away.

Mr. TUDOR.—Just the same as your party were.

Sir JOSEPH COOK.—Scarcely. The matter has gone for the moment, and I do not intend to refuse to collect the tax until I am authorized by this Parliament to so refuse. I am a Constitutionalist upon the question of the entertainments tax, and I feel that I must do the right thing.

The honorable member for West Sydney (Mr. Ryan) mentioned three things that he wants me to do. He asks: Will I remit taxes and refuse money that is being given to me on the one hand, and will I hand it out by the scores of millions of pounds on the other? That is the proposition which the honorable member puts to me.

Mr. RYAN.—I never said that.

Sir JOSEPH COOK.—That is precisely what the honorable member not only suggested, but emphatically said.

Mr. RYAN.—The honorable member is under a misapprehension.

Sir JOSEPH COOK.—For instance, the honorable member wants an increase to £1 per week in the old-age pensions.

There is £3,000,000 per annum. That is a very modest beginning. He persists, also, in wanting to know when we are going to make the war gratuity bonds negotiable. To make them negotiable is a very serious matter on all grounds—serious in the interests of the soldier, and also serious to the community as a whole. We are cashing bonds every day to a very serious amount, and early next year £10,000,000 will have to be raised on this account. That is an obligation which this Parliament may be able to discharge, but which it rightly ought not to undertake to discharge further than the amount I have indicated. It is of no use to bring forward this, that, and the other desirable thing, and suggest that they ought to be done; all things are lawful, and appropriate, and desirable, but they do not happen to be expedient.

Mr. ATKINSON.—Members on the Opposition side know that they cannot be done.

Sir JOSEPH COOK.—I would not say that. I am afraid that my honorable friends on the Opposition side would not hesitate a minute to start the printing presses going and reel off paper money, and scatter it round the country in pursuance of their objectives.

Mr. RYAN.—You have the paper scattered round the country now. I only ask you to make it negotiable.

Sir JOSEPH COOK.—I have other views of this matter, and cannot consent to any such free-and-easy way of paying our debts. This matter was very effectually disposed of the other day. The honorable member asks when it is going to be dealt with further by the House, but it is a well-known rule of Parliament that the same subject cannot be brought up twice in the same session. This question, therefore, cannot come on again until we have had a recess.

Mr. RYAN.—That must have been the purpose of the honorable member who moved the adjournment of the debate.

Sir JOSEPH COOK.—I do not know what his purpose was. One never knows the motive behind the action of the honorable member for Illawarra.

Mr. HECTOR LAMOND.—I am a practical man, and I like something definite to result from talk.

Sir JOSEPH COOK.—The honorable member for West Sydney has his answer. Whatever might have been the motive of

the honorable member for Illawarra, the effect of his motion is evident.

Mr. RYAN.—I merely wish the public to understand what was the effect of his motion. Presumably, he knew what effect it would have.

Sir JOSEPH COOK.—The honorable member's only concern is that the public should know that he has done something.

Mr. RYAN.—The honorable member for Illawarra moved the motion with the connivance of the Treasurer.

Sir JOSEPH COOK.—I did not say a word to the honorable member about it. At the same time, I do not mind admitting that I was not altogether displeased with the action taken. However, I think I have said enough to get the Estimates of the Department of the Treasury through.

Mr. McWILLIAMS (Franklin) [5.48].—I want to make an appeal to honorable members. There is not an honorable member who has not had brought under his notice the hard case of blind persons, from whose earnings deductions are made under the provisions of the Invalid and Old-age Pensions Act. I consider the Treasurer (Sir Joseph Cook) has made a very fair offer, and that is to bring in a Bill immediately to relieve the blind in this respect if honorable members will agree to deal with it on its merits, and not introduce any other issue. There are many matters in connexion with the administration of pensions upon which I would like to say something when a proper opportunity arises, but I appeal to honorable members to allow justice to be done to a class of people whose affliction is already great enough. The Bill which would deal out this justice is held up because honorable members will not refrain from loading up the measure with other matters. First, let us do this act of justice to the blind, and then let us take the first opportunity afterwards of dealing with other cases of hardship that certainly do exist. Therefore, I appeal to honorable members to allow this measure of relief to become law before the House adjourns, so that relief may be given to a class which is more deserving of our sympathy than any other section of the community.

Mr. MATHEWS (Melbourne Ports) [5.50].—The statement made by the honorable member is not correct. In spite of the possibility of being charged with lack of consideration for the blind, I maintain that there are many invalids in the community who are more worthy of our consideration than the blind, some of whom are young and vigorous. I know that there is a feeling among honorable members that immediate relief should be afforded to the blind, but I hope that it does not mean that the consideration of the cases of other invalids will be put off for any lengthy time. There are some tubercular cases which have been brought under my notice more often than I like, and which are more worthy of our attention than those of any other class of invalid.

Mr. ATKINSON (Wilmot) [5.52].—I have taken a great deal of interest in the question of allowing blind persons to earn more than they are at present permitted to receive in wages and still draw the full amount of the invalid pension, and as I brought the matter forward during last Parliament, I would like to know what the Government actually propose to do in this direction.

Sir JOSEPH COOK.—The suggestion is that we should allow blind persons to earn, including their pensions, up to the basic wage, and I have agreed to do so provided the House will permit the Bill to go through without the introduction of other matter.

Proposed vote agreed to.

ATTORNEY-GENERAL'S DEPARTMENT.
Divisions 37 to 43, £86,273.

Mr. MATHEWS (Melbourne Ports) [5.54].—I want to draw attention to an expenditure which, now that we have become more sane, ought to be abolished. For the Commonwealth Investigation Branch we are asked to vote £6,634. I want to know if this is the same old Commonwealth Police Force which was brought into existence by the Warwick egg. Provision is made for officers in the Central Administration and in New South Wales, Victoria, Queensland, South Australia, Western Australia, and Tasmania. In New South Wales, for instance, a sub-inspector under the Professional Division is to be paid £372, while under the General Division provision is made for an inspector at £360, and two first-class detective sergeants at

£292 each, and under the Clerical Division, for a clerk who, by the way, is under paid, at £198. In Queensland, apparently, the staff is even more numerous. I do not know whether it is to be maintained there for the protection of the Prime Minister on his next visit to the State, but, if so, it is a waste of money, because the right honorable gentleman does not need protection. Why is it necessary to maintain an Investigation Branch in each State to carry out work that may never occur? I have gone out of my way and strained my party's opinion of my loyalty to them in order to defend the Government against the charge of wasting money; but surely this is an instance in which money should not be spent? Why should we spend this amount of money every year upon a Department which was created during the wildest period of war scare, when the Prime Minister was afraid to go through Australia because of his fear of attacks which might justly have been made upon him in consequence of the horrible language he employed against those who differed from him politically? He has survived those possible attacks; he has even survived the hooting he experienced during the visit of the Prince of Wales, because he had moved in this House to increase the salaries of honorable members. In connexion with this question of increasing the allowance of honorable members I draw attention to the fact that, although honorable members were formerly permitted to enter the Flemington Racecourse on exhibiting their railway passes, the Victoria Racing Club has withdrawn this privilege because the Prime Minister took steps to raise our salaries. But the Prime Minister also raised his own salary, yet he accepted the charity of the Turf Club on Saturday and again on Tuesday. He "scabbed" on the union. For an action like that he requires police protection, but should not get it. We are talking of economy. The Government have been attacked, wrongly on occasions, for not practising economy, but here is a legitimate opportunity for reducing expenditure. I hope that this force will be discontinued as soon as possible. The war scare is over and nobody in Queensland would bother his head to-day if the Prime Minister passed through the State. There will be no more Warwick eggs.

Mr. JAMES PAGE (Maranoa) [6.2].—I move—

That the item "Solicitor-General, Secretary, and Parliamentary Draftsman, £2,000," be reduced by £1.

If the amendment is agreed to it will be a direction from the Committee that the Commonwealth Police Force shall be disbanded. We are dealing with the Department as a whole, and if I were to move the amendment on the first item relating to the Commonwealth Investigation Branch it would shut out discussion on any of the preceding items. Before the last election the Prime Minister promised that the Commonwealth Police Force would be abolished. If there is one form of expenditure that could be dispensed with it is that in connexion with this unnecessary body. The whole of the State Police Force and judiciary are at the disposal of the Commonwealth.

Mr. HECTOR LAMOND.—After the States have done with them.

Mr. JAMES PAGE.—That is a nasty interjection.

Mr. HECTOR LAMOND.—That is justified by our experience in Queensland.

Mr. JAMES PAGE.—Queensland is not Australia, and even if the people of that State during the war did something of which the honorable member did not approve, that would not justify him in saying that the continuance of this force is justified. A few years ago the honorable member would have applauded the Queensland people for what they did on the occasion to which he refers, and would have caused articles to be written which would have set the whole country in flames, but since he has entered the respectable company of flag-waggers and God-Save-the-Kings, Queensland has become to him a terrible place. Some honorable members recently visited Queensland for the first time, and I ask them if they have returned with the impression that my countrymen are such scoundrels as the honorable member would have us believe them to be.

Mr. HECTOR LAMOND.—I object to this misrepresentation.

Mr. JAMES PAGE.—The honorable member may object, but I shall not allow him to run down my State.

Mr. JACKSON.—The honorable member gave Tasmania a bad time.

Mr. JAMES PAGE.—If the Tasmanian representatives cannot look after their own State they deserve all that is said against it. The vote for the Commonwealth Investigation Branch provides an opportunity for giving effect to the promise which the Prime Minister made that the Commonwealth police would be abolished.

Mr. FLEMING.—The Commonwealth police are needed in Queensland.

Mr. JAMES PAGE.—The people of that State pay their taxes, and obey the Commonwealth laws.

Mr. HECTOR LAMOND.—Taxes are never imposed by the Queensland Government!

Mr. JAMES PAGE.—The State Government will make those pay who can afford to do so. The honorable member for Bourke (Mr. Anstey) aptly described the formation of the Commonwealth Police Force when he said that the greatest miracle performed in the twentieth century was when the Prime Minister developed a police force out of a rotten egg! That force is a mere excrescence, and its continuance is to gratify a fad that the Prime Minister had. An amount of £10,000 is being thrown away on a body which consists solely of officers as did the Queensland Defence Force prior to Federation. The Estimates do not make one reference to an ordinary policeman; all the members of the force are officers.

Mr. MATHEWS.—Have the Commonwealth police ever arrested anybody or done anything to earn their money?

Mr. JAMES PAGE.—The honorable member should be the last to ask such a question, having regard to the fact that the Commonwealth Police Force put him in "the boob." They framed up a case against the honorable member, but the magistrate dismissed it as frivolous in the extreme.

Mr. HECTOR LAMOND.—He was a State magistrate.

Mr. JAMES PAGE.—Surely the honorable member does not wish to frame up the bench as well as the police! What the members of this force are doing God only knows, and He will not tell us. The Minister cannot tell the Committee what the police do. I ask honorable members to embrace this opportunity of saving £10,000 of the taxpayers' money.

It may not seem a large amount in proportion to the total expenditure, but for heaven's sake let us start economizing somewhere. Here is our opportunity. This force is absolutely Gilbertian; it exists just to comply with the whim and fancy of the Prime Minister.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [6.13].—The word Gilbertian might more properly be applied to the honorable member's attack upon a police force that is non-existent. The promise of the Prime Minister that the Commonwealth Police Force would be reduced has been carried out. While the right honorable gentleman was in Europe I, as Acting Attorney-General, took steps to gradually reduce the Commonwealth police until they were practically wiped out. This force was first brought into being for a very good reason. The Commonwealth must carry out certain investigational and inspectional work in connexion with the administration of its laws in the various Departments, but a police force such as the honorable member for Maranoa has described, does not exist. For instance, the Home and Territories Department administers the Immigration Restriction Act in connexion with which investigations have to be made from time to time.

Mr. GREGORY.—Was not the work efficiently performed before?

Mr. GROOM.—It was, and much of it by officers who are now transferred to this Department. Investigations were also carried out for the Department of the Treasury and other Departments. In addition, there are many Acts under which special investigations have to be made. What is happening is this: With a view to preventing the multiplication of the work done in different Departments there has been established, in connexion with the Commonwealth Attorney-General's Department, a special staff of officers who have been transferred from various Departments to the Attorney-General's Department so that the work may be carried out more effectively and efficiently than before.

Mr. HECTOR LAMOND.—And more economically.

Mr. GROOM.—Yes. There are many cases for investigation that arise in connexion with breaches of the law, and that is why the vote is placed where it

should be, under this particular Department. Even in connexion with the Repatriation Department, investigations have to be made from time to time. If honorable members will refer to the Estimates they will see that £1,248 was expended during the last financial year on this particular item, and the reason for the increase is that officers have been transferred to the Attorney-General's Department. Reference has been made to the office of inspector, and one honorable member said that we were creating a new position of Inspector of Commonwealth Police. That is not so, but the officer is given the rank of inspector, because his duties involve investigation and inspection in connexion with the enforcement of our Commonwealth Acts.

Sir ROBERT BEST.—Are you transferring the detectives from the Customs Department to your Department?

Mr. GROOM.—So far that has not been done, but the intention of the Government is to group them together in a Central Investigation Branch to enable the work to be more economically and efficiently carried out. Commonwealth laws have been increasing in number, and naturally the Government must see that its laws are enforced. This matter was debated at a Premiers' Conference, where it was suggested that the Commonwealth had no powers in this regard; but that is absurd. Surely honorable members would not render the Government so impotent that it could not create a staff to enforce its own laws? The position would be ridiculous, as the Commonwealth must have that power. Honorable members are continually urging the need for economy, and it is with that object in view that the present practice has been adopted. I remind honorable members that during the war particularly important investigations had to be made in connexion with many of our Acts.

Mr. MATHEWS.—The Government did not require this staff before the Warwick incident.

Mr. GROOM.—The Commonwealth Police Force has been dispensed with, and I have already repeated that several times. That force was created under the War Precautions Act at a time when it was absolutely necessary, and although that force is not now in existence, it is still essential to have an in-

vestigation staff for the reasons I have mentioned. I remind honorable members that there are investigation officers in connexion with the Post Office, and it is the intention of the Government to bring such officers together under the Department of the Attorney-General. Very important inquiries are being made from time to time at the request of the Treasury.

Mr. JAMES PAGE.—Have you always had these officers?

Mr. GROOM.—All the officers being transferred to the Attorney-General's Department have been employed in other Departments, and they are now being taken over to form one Central Investigation Branch.

Mr. JAMES PAGE.—Including those in the Post Office?

Mr. GROOM.—They are to come in later, and the representatives of different Departments will then form the Investigation Bureau. That is a common-sense and practical thing to do, as it saves time and money, and secures efficiency.

Mr. JAMES PAGE.—And you are creating a new Department.

Mr. GROOM.—I have already said sufficient to show that we are doing nothing of the kind.

The honorable member for Bass (Mr. Jackson) asked for some explanation in regard to the increased expenditure in connexion with the patents and trade marks vote. During the war there was a suspension of patent operations; but now there is an immense accumulation of work, which necessarily increases the expenditure in connexion with the administration of that Department. It is solely for that reason that the additional expenditure has been incurred.

Mr. MAKIN (Hindmarsh) [6.22].—In regard to the Commonwealth Investigation Branch, my views are in accord with those of the honorable member for Maranoa (Mr. James Page), because I believe that we should not indulge in any expenditure that cannot reasonably be justified. The Minister has endeavoured to do that by saying that the Government must have the assistance of officers to make certain investigations in carrying out the legislation passed by this Parliament. I am not going to advance as my protest the claims of economy

in this connexion—although some honorable members believe in economy at all costs—because there is sometimes economy at the expense of efficiency. I am in favour of expenditure when we are getting a *quid pro quo* for our outlay. The Minister has said that the Commonwealth Police Force does not now exist. I have been making a comparison between the salaries shown in this and last year's Estimates, and find that the totals differ very little. The total of the division for the Commonwealth Investigation Branch in 1919-20 was £7,102, and the estimated expenditure for this year is £6,634. The total estimated expenditure in salaries in 1919-20 was £6,722, and this year it is estimated at £6,254. If the Commonwealth Police Force has been disbanded, as the Minister says, it does not appear to be so from the figures appearing in the Estimates; and it is quite evident that if we do not call it by its former name it is in existence under another designation.

Mr. MACKAY.—The members of the present Investigation Branch have been employed in various Departments, and have been transferred, as the Minister has already explained.

Mr. MAKIN.—I am not in a position to challenge the statement of the honorable member.

Mr. LAIRD SMITH.—The Minister has already fully explained the position. We have always had investigating officers in the Postal Department.

Mr. MAKIN.—I am not offering any objection to the employment of officers in the Postal Branch, where investigation is necessary.

Mr. GROOM.—The intention of the Government is to bring all such officers into one Department instead of following the more costly method of having them operating under separate Departments.

Mr. MAKIN.—Does the Minister definitely state that a Commonwealth Police Force does not now exist?

Mr. GROOM.—The force to which the honorable member refers was created under a War Precautions Regulation, which is not now in force; and those officers have gone.

Mr. MAKIN.—That certainly removes my objection, to some extent.

Mr. GROOM.—Officers have to be employed to make investigations in connexion with the Post Office, and the Customs, Taxation, and Immigration Departments.

Mr. MAKIN.—That may be so; but I had in my mind a measure that we were discussing this afternoon, in which provision was made for the State police to operate on behalf of the Commonwealth.

Mr. GROOM.—We always co-operate where we can; but the responsibility of seeing that our own laws are observed rests upon the Commonwealth, and we should have officers to make investigations when the occasion arises.

Mr. MAKIN.—I was under the impression that if the Commonwealth Police Force was still in existence, and the State police were being utilized in connexion with the enforcement of certain Commonwealth Statutes, there was a grave inconsistency somewhere. I rose particularly to record my protest against the expenditure on a Commonwealth Police Force, as I cannot see any useful service that could be rendered by such to the Commonwealth.

Sitting suspended from 6.29 to 8 p.m.

Mr. TUDOR (Yarra) [8.0]. — I am very anxious to learn the intentions of the Government with regard to the Court of Conciliation and Arbitration. It is well known to honorable members that Mr. Justice Higgins, who has been the President of that Court for something like thirteen years, has announced that he intends to resign, and we ought to have from the Government a statement as to what steps they intend to take to enable the work of that tribunal to be carried on. Whatever may be said of Mr. Justice Higgins—whether honorable members approve or disapprove of his politics—it must be admitted that in many cases he has carried on the functions of the Court in such a way as to keep the wheels of industry going where there was grave danger of their stopping. Many of the workers of recent years have not been satisfied with arbitration. That dissatisfaction is world-wide. In this evening's issue of the *Herald* it is mentioned that in the coal-mining industry of Great Britain—one of the largest in the Old Country—the consent of a two-thirds majority of the workers has to be obtained to declare a strike. It is of the

utmost importance that we should have some tribunal in which the workers have confidence for the settlement of industrial troubles. Although some industrial organizations have decided not to avail themselves of the Commonwealth Conciliation and Arbitration Court, many of them continue to appeal to it. The Builders Labourers Union and the Australian Workers Union—both very large organizations—have stood by the Court for years, and are standing by it to-day. When a Bill to amend the Conciliation and Arbitration Act was recently before us, I expressed the opinion that certain provisions in it would have a very bad effect, and from the point of view of the Court itself I look upon the contemplated resignation of Mr. Justice Higgins as being in the nature of a calamity. It is useless for us to bury our heads in the sand, ostrich-like, and to profess not to recognise the fact that a great number of the workers prefer direct action rather than an appeal to arbitration, and I should like to know what the Government intend to do in regard to the Court. I know of organizations which have been waiting for a number of years to get before it. Some of the awards under which industrial organizations are working are four years old, and need to be reviewed. If the principle of arbitration or the Wages Board system stands for anything, it is for the protection of the weakest in every industry. The more highly skilled men in every industry are able to command a fair wage, which in many cases is above that fixed by the Court.

Mr. McWILLIAMS.—Have not some of the more important unions decided during the last year or two not to avail themselves of the Court?

Mr. TUDOR.—So far as I know, the coal-miners' organization has alone come to that decision.

Mr. McWILLIAMS.—Are not members of the Australian Workers Union demanding their own special rates, entirely apart from the award of the Court?

Mr. TUDOR.—I believe that they obtained improved conditions under an award made by the Queensland Arbitration Court. They are probably using that award as a lever to obtain better conditions elsewhere. I do not think, however, that the Australian Workers Union has departed from the existing award of the Commonwealth Court.

The Government should tell us what they intend to do in regard to the Court, and whether they propose almost immediately to appoint additional Justices to cope with the congestion of business. The whole of the High Court Justices have shown great reluctance to take on the work of the Conciliation and Arbitration Court. Mr. Justice Powers, Deputy President of the Court, is now on leave. Mr. Justice Isaacs, who has dealt with certain arbitration cases, is about to enjoy twelve months' leave of absence; Mr. Justice Rich has dealt with one or two Arbitration Court cases; and Mr. Justice Starke has heard some Public Service cases. All disputes relating to organizations of public servants will now pass to another tribunal, but in view of the fact that the High Court Justices show a disinclination to sit on the Arbitration Court Bench, we should be lacking in our duty if we passed these Estimates without obtaining from the Government a definite statement as to the action they propose to take consequent upon the contemplated retirement of Mr. Justice Higgins.

Mr. McWILLIAMS.—The special tribunals for which the Industrial Peace Act provides should also get going.

Mr. TUDOR.—Compulsory conferences are convened under the Conciliation and Arbitration Act, and in many cases have proved successful. I think that a dispute in which the carters and drivers' organization was concerned was settled in that way. That organization comprises thousands of men, and if they went on strike many other industries would be affected. Whether we represent town or country constituencies, we are all equally interested in keeping the wheels of industry going, and we should insist upon a statement from the Government in regard to this matter. I do not know whether it is optional for the High Court Judges to sit in the Court of Conciliation and Arbitration.

Mr. GROOM.—It is.

Mr. TUDOR.—Then, in view of the recent amendment of the Act providing for certain cases to be dealt with by three Justices instead of one, additional appointments must be made.

Mr. HECTOR LAMOND.—Mr. Justice Higgins has not yet resigned.

Mr. TUDOR.—I do not know whether the Government have received his resignation.

Mr. GROOM.—We have not.

Mr. TUDOR.—Those who know Mr. Justice Higgins will say that he is not the man to depart from any definite pronouncement that he makes. I hope that he will remain on the Bench, because I believe that as President of the Conciliation and Arbitration Court he has rendered invaluable service to Australia. Although the system has not, perhaps, lent itself to expedition in dealing with disputes, it must be admitted that the Court has done excellent work.

Mr. ROBERT COOK.—Does the honorable member think that Mr. Justice Higgins is the only man in the Commonwealth who can properly fill the position of President of the Court?

Mr. TUDOR.—I do not think that any man, no matter what position he may fill, is indispensable, but some men are better fitted than others for certain positions.

Mr. ROBERT COOK.—Is it not a fact that the Conciliation and Arbitration Court has been a lamentable failure?

Mr. TUDOR.—If that is the view of the Government—if they say that they intend to wipe out the Court—the industrialists will know where they are.

Mr. GROOM.—It is only a few weeks since we passed an amending Conciliation and Arbitration Bill contemplating future action.

Mr. TUDOR.—The honorable member refers to the Bill providing that certain cases shall be heard by three Justices instead of one. An amendment which was inserted in that Bill will remove from the Court about 80 per cent. of the organizations which now avail themselves of it. Mr. Justice Higgins, I repeat, has done good work, many organizations still stand by the Court, and it will be a bad day for Australia if the majority of the workers declare for direct action and for the arbitrament of force rather than for conciliation and arbitration.

Mr. STEWART.—I am sure no section of the people in Australia desire that.

Mr. TUDOR.—There are far more than many people think in favour of direct action. There are members of the Opposition who have said that they have

no time for arbitration. On the other hand, I have stood for the principle ever since the original Act was passed, and it is because of that fact that I want a definite pronouncement from the Government. We should be told whether organizations which have loyally stood by the Court and have waited for years to have their claims heard by it are to be denied an opportunity to obtain an early decision.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [8.13].—Legislation that we have recently passed is a clear indication of the intentions of the Government with regard to the Court of Conciliation and Arbitration. This House has but recently approved of amendments of the principal Act which contemplate the continuance of the Court, and are designed to expedite its business. Many of those amendments originated from the Court itself, so that it is mere moonshine to suggest that there is any intention on the part of the Government to wipe out the Court.

Mr. McWILLIAMS.—When is it intended to get the tribunals going under the Industrial Peace Act?

Mr. GROOM.—That measure provides for the appointment of tribunals to deal with disputes of an emergency character as they arise. One such tribunal has already been appointed, and its award is now being challenged in the High Court. The Act does not contemplate the appointment of tribunals in anticipation of disputes.

Mr. HECTOR LAMOND.—Such a tribunal can act only when both sides agree to its creation.

Mr. GROOM.—Both sides of this Chamber agreed to that measure.

Mr. TUDOR.—That is not what the honorable member for Illawarra (Mr. Hector Lamond) means.

Mr. GROOM.—I know that. These tribunals can be brought into existence when both parties to an industrial dispute agree to the adoption of that course. But the Act has been passed, and the machinery provided, to enable these classes of disputes to be dealt with effectively. One tribunal has already been appointed, and has given an award.

Mr. HECTOR LAMOND.—And the constitutionality of that award has been challenged in the High Court.

Mr. GROOM.—So long as we are a fighting race people will inevitably strive to uphold what they conceive to be their rights and privileges. The only other point raised by the honorable member has reference to the appointment of Judges to the High Court Bench. May I point out to him that no vacancy has yet been created there. Should such a condition arise, the Government will take steps to deal with it.

Mr. TUDOR.—Is not the fact that no vacancy has yet occurred due to the determination of Mr. Justice Higgins to complete the hearing of cases which have already been commenced before him?

Mr. GROOM.—We cannot deal with a condition which has not yet arisen. Mr. Justice Starke is assisting in the disposal of Arbitration Court work, and the Government are considering the appointment of a third Judge under the existing Act in order to enable that Court to properly function. The honorable member may rest assured that every action will be taken to properly staff the Court, in order that there may be no undue delay in dealing with industrial cases.

Mr. CHARLTON (Hunter) [8.18].—I wish to direct the attention of the Minister to the appeal, to which reference has already been made. In connexion with that appeal, I hope that the Government will be adequately represented by counsel.

Mr. GROOM.—It is the intention of the Government to ask leave to intervene.

Mr. CHARLTON.—The other day when I was asked whether upon that appeal the Government would be represented by counsel, the Prime Minister (Mr. Hughes) replied that, so far as that was constitutionally possible, they would be so represented. But may I point out that there are matters involved in that appeal which do not touch the constitutional question at all.

Mr. McWILLIAMS.—Is not the only question that before the Court?

Mr. CHARLTON.—No. There are a number of questions involved in addition to the constitutionality of the Industrial Peace Act. I hope that counsel will deal with the whole of the circumstances which are placed before the Court. If the award of the Special Tribunal appointed in connexion with the coal industry be set aside, the result may be disastrous. Consequently the Government are in duty bound to do all that is

possible to uphold the constitutionality of the award. But, quite apart from the Industrial Peace Act, the Arbitration Court has a lot of work to do. I think that the Prime Minister stated that no tribunals would be established under the Industrial Peace Act in connexion with cases which have already been listed before the Arbitration Court, because it would be regarded as an attempt to undermine the Arbitration Act. If that be so, it behoves the Government to see that whatever Justices are necessary to preside over that Court are appointed. Three Justices of the High Court are necessary to hear any appeal in which the question of hours is involved, and there are few appeals in which that question does not arise. I hope, therefore, that the Minister will do everything that is possible to uphold the Industrial Peace Act, under which an award has been made in connexion with the coal-mining industry.

Mr. McWILLIAMS (Franklin) [8.21].—I have not been able to recognise that such overwhelmingly good work has been done by the Arbitration Court during the past few years. Some of the awards given by that tribunal have been positively ridiculous. Take, for example, an award which was given by it only a few days ago. Honorable members know that all over Australia there are river boats, the captains of which are not sailors, and do not possess sea-going certificates. They merely obtain licences from the local Marine Boards. Yet under an Arbitration Court award which was recently given, they are to receive the same wages as are the captains of sea-going vessels. The result is that these boats are being tied up all over Australia, to the very great inconvenience of the settlers, to whom they have been of considerable service.

I agree with some of the statements which have been made by the Leader of the Opposition (Mr. Tudor). It is simply deplorable that the Prime Minister (Mr. Hughes) and a Judge of the High Court should be bandying words in the press. When we find these gentlemen accusing each other in the daily newspapers of deliberate falshood, the spectacle is not one which is calculated to elevate the public life of Australia or to add to the dignity of our High Court Judges. I hope that we shall hear no more of it.

Mr. ROBERT COOK.—The controversy has scarcely started yet.

Mr. McWILLIAMS.—I hope that it has ended, and every honorable member will echo that hope. Mr. Justice Higgins has already declared his intention of resigning his position. In view of the fact that cases have been listed before the Arbitration Court for nearly two years, and have not yet secured a hearing, we have a right to know what steps are being taken to keep the machinery of that tribunal in action. An amendment has been moved to reduce the vote upon these Estimates by £1, in order to test the question of whether this Parliament intends to sanction the creation of another new Department, namely, the Commonwealth Police Department. I intend to vote for that amendment. The members of the Country party have previously done their utmost, though without success, to secure a reduction in these Estimates. I recognised then, as I recognise now, that the only way in which we can achieve our object is by preventing the creation of new Departments.

Mr. TUDOR.—When it was proposed to transfer the Pensions Branch, which had been satisfactorily administered under the Treasury Department, for the purpose of keeping the Repatriation Department in existence, how did the honorable member's party vote?

Mr. McWILLIAMS.—The Repatriation Department is entirely removed from ordinary proposals to effect retrenchment.

Mr. JAMES PAGE.—The honorable member's party made two Departments grow where only one grew previously.

Mr. McWILLIAMS.—We are now asked to sanction an entirely new departure, because the Government propose to establish a new Department under another name.

Mr. GROOM.—The honorable member says that it is a new Department; but will he be good enough to prove his assertion?

Mr. McWILLIAMS.—Take the head of the Department, Mr. Brown. He was at the head of the Commonwealth Police Force.

Mr. GROOM.—No; the man who was at the head of the Commonwealth Police Force went long ago.

Mr. JAMES PAGE.—Then, why does he appear as a police inspector?

Mr. McWILLIAMS.—There is no doubt that the Force to which I refer is a Police Force. It has been stated that certain officers are required for the Customs Department, for the Postal Department, and for other Departments. But in each of these Departments we still have special detectives. They are departmental officers, and, as far as I can gather, not one of them has been removed from his office. It is clear, therefore, that the only way in which we can prevent a steady increase in our annual expenditure is by checking the existing mania for the creation of new Departments. There has not been a single occasion upon which the Commonwealth has applied to any State Government for assistance, and upon which it has not received a prompt response. I do hope that the Committee will take a resolute stand against the establishment of this and every other new Department. We discussed one of these proposals to-day, and I hope that we have heard the last of it. Now we are invited to sanction the creation of a Commonwealth Police Department. In precisely the same way we have unnecessarily duplicated State activities in connexion with our Savings Bank and our Taxation Department. The state of our finances is very serious. We know of the difficulties of the Government in connexion with their wheat guarantee. In regard to every loan, pressure has to be brought to bear upon the people and financial institutions to secure the necessary money; yet we are piling on expenditure in Department after Department, and, so far, all our efforts have secured no retrenchment. Here is an opportunity. For the reason that this is the old Commonwealth Police Force under another name, and that no good purpose can be served by the creation of such a Force, I shall vote for the amendment.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [8.32].—The honorable member says that this is the old Police Force over again. I informed honorable members, before the suspension of the sitting this evening, that the whole of the Police Force which had been created under the War Precautions Act had been absolutely disbanded,

and that there is not an individual now in existence as a member of that Force.

Mr. McWILLIAMS.—How many of the men who were in the Commonwealth Police Force are in this present organization?

Mr. GROOM.—I do not think there is a single individual. My information is that there is not one. The office of Commissioner of Police was vacated long ago. The Commissioner resigned, and, thereafter, one officer of the Department, who had been conducting certain investigations, continued to act as Commissioner. But that position is now ended. The Force which is now being created is not a Police Force in the sense in which the State Police Forces are conducted. I may say that this was explained in the House last year.

Mr. JAMES PAGE.—How can you say that when you "gagged" the Estimates through last year?

Mr. GROOM.—I assure the honorable member that these facts were explained a year ago.

Mr. JAMES PAGE.—We had not a chance to discuss them.

Mr. GROOM.—I say they were explained.

Mr. JAMES PAGE.—You are not going to ram a lie like that down my throat!

The CHAIRMAN (Hon. J. M. Chanter).—Order! The honorable member will please withdraw that expression.

Mr. GROOM.—I can only assure the honorable member—

Mr. JAMES PAGE.—You are not going to tell me a lie!

The CHAIRMAN.—Order! Will the Minister please resume his seat. I call upon the honorable member for Maranoa to withdraw.

Mr. JAMES PAGE.—Withdraw what? Am I going to sit here and let the Minister tell me that? I will not take a lie from him.

The CHAIRMAN.—Order! I again ask the honorable member to withdraw.

Mr. JAMES PAGE.—I will not withdraw; because it is a lie, and the Minister knows very well that the Estimates last year were "gagged" through, and we had no opportunity to discuss the Commonwealth Police or anything else.

The CHAIRMAN.—I ask the honorable member once more to withdraw his offensive expression. He knows that it is unparliamentary, and I ask him to assist the Chair rather than defy it.

Mr. JAMES PAGE.—Very well, I withdraw.

Mr. GROOM.—I said that this item was explained to the House before, namely, that the Commonwealth Police Force had been abolished, and that we were setting up in its place an Investigation Branch.

Mr. TUDOR.—The same thing under another name.

Mr. GROOM.—I informed honorable members earlier this evening that the intention of the Government was to create an Investigation Bureau, under the Department where it properly should be, namely, that of the Attorney-General. Instead of having each Department with its own separate detective agents and investigating officers, it was rightly deemed more economical, and in the interests of higher efficiency, that all should be grouped. I have already said that, from time to time, we have been transferring these officials to the control of the Attorney-General. There is no intention here to create a new Department. I hold in my hand a list of names of officers which has appeared in the *Government Gazette*. Every one of the individuals is an officer who has been transferred from some other Department to that of the Attorney-General.

Mr. TUDOR.—Who are these men?

Mr. GROOM.—Honorable members may peruse the list, but I have no objection to reading it. The first name is that of Harold Edward Jones, Senior Clerk, Department of the Treasury.

Mr. TUDOR.—Who is the Director?

Mr. GROOM.—Major Jones was placed in charge.

Mr. McWILLIAMS.—Have the Government filled the vacancies created by the removal of those officers?

Mr. GROOM.—They have been merely transferred. They have come from the Department of the Treasury, from the Home and Territories Department, and from other branches of the Commonwealth Service, where investigation has been necessary and is still proceeding. Our intention is solely to prevent duplication, and to concentrate this work of investigation under the one head, which is proper and economical.

Mr. McWILLIAMS.—But is not that said of every new Department?

Mr. GROOM.—The honorable member may put up that kind of stunt if he

likes. He has said that this is an entirely new Department, and that he knew all about it. I am showing him that these officials are being transferred from one Department and another to that of the Attorney-General. The proposition is sound and business-like. I would quite expect the honorable member to protest if he saw investigation branches growing as excrescences upon each Department throughout the Commonwealth Service. I emphasize that there is no intention here to create an ordinary police force whose duty it would be to keep the King's peace.

Mr. McWILLIAMS.—That was never suggested.

Mr. GROOM.—The honorable member said so. He said that there were the State Police, who had not refused to do our work. This is not the kind of work that the State Police Forces are doing. It is independent work; it is work arising from responsibilities created by our own Statutes and their administration.

Mr. MAXWELL.—And it is the kind of work which the ordinary police could not do, in that it requires skilled investigation.

Mr. GROOM.—Quite so. Numbers of these officers have been engaged in investigation work for the Commonwealth practically since the inauguration of Federation. As soon as the Immigration Act was passed officers were appointed to perform a particular class of investigation work; and then there were Customs officials who were given a peculiar line of duty to perform.

Mr. McWILLIAMS.—You have got these officers still on your lists.

Mr. GROOM.—We are making provision for their transfer as the occasion arises. The process of transfer is in operation, and provision to that end has been made in the Estimates. Finally, this is an endeavour to perform effective administration, and I am convinced that the right line of action is being followed.

Mr. HECTOR LAMOND (Illawarra) [8.41].—It is rather peculiar that this effort to secure economy should centre around one of the few proposals to be found in the Estimates which have for their objective the cutting down of redundant expenditure. I am afraid that

the whole discussion is biased by apprehension on the part of some honorable members that that wonderful egg which was hatched at Warwick has produced a Force which will remain for ever on the pay roll of the Commonwealth. The explanation furnished by the Minister (Mr. Groom) proves that fear to be groundless. This proposal is one which I would like to see copied in relation to several other departmental activities where there is an unnecessary and more or less expensive tendency towards duplication. I am glad that the Government are making an effort to place the whole of the work of Commonwealth investigation under the control and guidance of one skilled officer, in the one Department. That official, supported by a united and a trained staff, should be able to perform good service. The proposition, altogether, is one of which honorable members should approve.

Mr. JAMES PAGE* (Maranoa) [8.44].—The Minister (Mr. Groom) stated, both before the suspension of the sitting and after, in reply to the honorable member for Franklin (Mr. McWilliams), that this was not the old Commonwealth Police Force at all, and had nothing to do with it. Yet, in the Aliens Registration Bill, introduced only this afternoon, there is to be found the phrase, "Officer" means a member of the Police Force."

Mr. GROOM.—Of course; a member of a State Police Force.

Mr. JAMES PAGE.—Then, why does not the Bill say so? If he is a State officer, why not make it perfectly clear, because we are dealing with a Commonwealth measure? The definition clause also states—

"Officer" means a member of the Police Force, or an officer of Customs, or an officer of the Department administering this Act, or a prescribed officer, or any person authorized by the Minister to exercise the powers conferred on officers by this Act.

Mr. GROOM.—When the Customs Bill was passed, the same terms were employed, so we are acting in a perfectly consistent manner in our references to the operations of the State Police.

Mr. JAMES PAGE.—No, you are not. What about the War Precautions Act?

Mr. GROOM.—What has that Act to do with this?

Mr. JAMES PAGE.—This is all so much panic legislation as the result of the War Precautions Act regulations. The honorable member for Illawarra (Mr. Hector Lamond) spoke about the efficiency of the Department under the proposed new system of control. I should like to know how we are to get greater efficiency than at present, because all the various Departments have their own detectives in the different States.

Mr. STEWART.—And they are well known to everybody.

Mr. JAMES PAGE.—I do not know that they are so well known. Speaking of the Customs Office detectives in Brisbane, I can say that they know where to find the contraband on every boat that comes down the coast.

Mr. BELL.—Not all.

Mr. JAMES PAGE.—They find a great deal. I have the greatest faith possible in the Customs officers who examine the vessels that come down the coast from the East.

Mr. BELL.—Under the new scheme, the same men will be doing that work. The Minister says so.

Mr. JAMES PAGE.—But we shall have half-a-dozen officers doing the work of one or two. The honorable member for Franklin (Mr. McWilliams) was quite right when he said that we must watch the creation of these new sub-Departments. The Minister in charge of the Bill (Mr. Groom), if he had his way, would run the whole of the Commonwealth by means of these sub-Departments, and give honorable members no end of reasons why they should be created—with him, of course, at the head. He puts me in mind of an Indian Prince going to a durbar with the whole of his retinue around him. This new scheme will not make for efficiency. Take the detectives who work in the post-offices of the different States. I can speak of them, because I know what they are doing. In Brisbane, one man does the whole of the Post Office detective work. The State detectives will not take up investigation work in connexion with postal matters unless they can get this special officer, who knows the ropes, to work in with them. The sub-Treasury Department in Queensland has a detective officer whose duty it is to see that the Treasury is not

robbed. He is an expert at finding out all about invalid and old-age pension claims, the maternity bonus, and other Treasury accounts. All these men are specialists in their particular spheres. And what does the Minister want to do? He wants to place all these men in a sub-Department, and, perhaps, some of them will be put on to the work of examining vessels. He wants to make a "hotch-potch" of the whole business, giving these officers all sorts of fancy names—inspectors, sub-inspectors, first class inspectors, second class sub-inspectors, and so on.

Mr. JACKSON.—What would you suggest calling them?

Mr. JAMES PAGE.—Nothing at all. These men do not want their photographs to be published in the papers. Let them go on working in the future as they have worked in the past. The Minister said a little while ago that all these items were passed last year. No one knows better than you, Mr. Chairman, that the whole of the Estimates were put in *globo*, and by means of the "gag" millions of money was voted in a few hours without any honorable member being able to say one word about the various items. It was the Government, not the House, that passed the Estimates. The honorable member for Franklin (Mr. McWilliams) put his finger on the spot when he said that we should watch carefully the creation of these sub-Departments if we want to avoid unnecessary expenditure. I do not know whether the Ministry intend to create positions for "gone-bung" politicians or not, but up to the present the Government have had such a "doing" that I do not think they will go any further with these proposals.

Mr. TUDOR.—Do you think the Public Service Bill is "up the spout"?

Mr. JAMES PAGE.—On the contrary, I think it has gone down to the very bottom of the "spout," judging by its position on the notice-paper, and I hope this Bill will be alongside it. I have no objection to men occupying these positions, but I do object to the creation of those sub-Departments, and, in the words of the Assistant Minister for Repatriation (Mr. Rodgers), making two blades of grass grow where one grew before. The purpose of this Bill is to create two Departments where one sufficed before, and I hope, therefore, that the Committee will support my amendment.

Question—That the item “Solicitor-General, £2,000,” be reduced by £1—put. The Committee divided.

Ayes	14
Noes	26

Majority	12
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AYES.

Charlton, M.	Moloney, Parker
Consideine, M. P.	Ryan, T. J.
Cunningham, L. L.	Stewart, P. G.
Gregory, H.	Tudor, F. G.
Hill, W. C.	
Lazzarini, H. P.	<i>Tellers:</i> A.
Mathews, J.	Makin, N. J. O.
McWilliams, W. J.	Page, James

NOES.

Atkinson, L.	Lister, J. H.
Bell, G. J.	Mackay, G. H.
Blundell, R. P.	Maxwell, G. A.
Cameron, D. C.	Poynton, A.
Cook, Sir Joseph	Prowse, J. H.
Cook, Robert	Rodgers, A. S.
Corser, E. B. C.	Byrie, Sir Granville
Gibson, W. G.	Smith, Laird
Greene, W. M.	Wienholt, A.
Groom, L. E.	Wise, G. H.
Higgs, W. G.	
Hughes, W. M.	<i>Tellers:</i>
Jackson, D. S.	Burchell, R. J.
Lamond, Hector	Story, W. H.

PAIRS.

Anstey, F.	Watt, W. A.
Blakeley, A.	Bamford, F. W.
Brennan, F.	Best, Sir Robert
Fenton, J. E.	Fowler, J. M.
Gabb, J. M.	Chapman, Austin
Lavelle, T. J.	Marks, W. M.
Mahon, H.	Fleming, W. M.
Mahony, W. G.	Foster, Richard
Maloney, Dr.	Francis, F. H.
McDonald, C.	Bruce, S. M.
McGrath, D. C.	Livingston, J.
Nicholls, S. R.	Marr, C. W. C.
Riley, E.	Bowden, E. K.
Watkins, D.	Hay, A.
West, J. E.	Bayley, J. G.

Question so resolved in the negative.

Amendment negatived.

Mr. LAZZARINI.—I should like some information with reference to the item £3,087, expenses in America in the law case, *Merton versus Hughes*.

Mr. GROOM.—That has been dealt with, and does not come into this year's Estimates.

Mr. RYAN (West Sydney) [9.0].—I understand that on last year's Estimates the sum of £3,087 was voted to pay the expenses incurred in America in the law case of *Merton v. Hughes*, and I ask the Minister what amount of money has been spent on this case?

The CHAIRMAN (Hon. J. M. Chanter).—The Committee cannot discuss the resolutions of a previous Committee.

Mr. RYAN.—I do not propose to do that. What I ask for is a full account of the expenses in the litigation between Merton and the Commonwealth. I take it that we are now at liberty to discuss anything done by the Attorney-General's Department since its inception. What were the expenses on the Merton case in England? Did the Prime Minister (Mr. Hughes) succeed, or were the costs of Merton paid by the Commonwealth Government?

Mr. GROOM.—The sum that the honorable member has mentioned was voted last year, and we are not entitled to refer to it now. There is nothing in these Estimates connected with the matter of which the honorable member is speaking.

Mr. RYAN.—In any case we are entitled to discuss the administration of the Attorney-General's Department, and I ask what expenses have been incurred in connexion with the Merton litigation? I wish to know, too, the terms on which the case was settled? I saw the statement that the case had come before the Courts in England, that it was adjourned, and, finally, that it was settled. We are entitled to know the terms of the settlement. I ask for the information in the interests of my constituents, and while I do not wish to use threats, if the Minister will not give it, I must try to find means of having the matter discussed. It cannot be suggested that the people of Australia, with whose money the expenses of the case were paid, are not entitled to know exactly on what terms the action was settled. The Prime Minister made certain accusations against the Merton Company, in consequence of which an action for defamation was brought against him which the Commonwealth Government undertook to defend, and public money was spent in the defence and settlement of the case. I hope that the Minister will let us know how much was so spent.

Mr. PARKER MOLONEY (Hume) [9.7].—I regret that the Minister in charge of the House (Mr. Groom) will not give the information asked for by

the honorable member for West Sydney (Mr. Ryan).

Mr. RYAN.—They would give the information if they had not something to hide.

Mr. PARKER MOLONEY.—If there is nothing to hide, why should there be any secrecy about the matter? Surely the Minister does not suggest that members and the people have no right to know these things! It is the people who have had to foot the bill, and they should know what has been spent, and how it has been spent. It is remarkable that they have been kept in the dark so long about this case.

Mr. CONSIDINE.—We want to know how much it cost to "square" Mertons?

Mr. PARKER MOLONEY.—I do not know whether they were "squared," but there has been considerable discussion of this case in the newspapers, and it is remarkable that we have had no information about it from Ministers.

Mr. HECTOR LAMOND.—Apparently we are not paying anything, so why should we worry about it?

Mr. PARKER MOLONEY.—I do not know that we are not paying anything.

Mr. HECTOR LAMOND.—The Minister says so.

Mr. PARKER MOLONEY.—He did not say anything of the kind.

Mr. GROOM.—I say that there is not a penny provided in these Estimates for the case.

Mr. PARKER MOLONEY.—Will the Minister say that not a penny has been paid by the Commonwealth in connexion with it? What were the terms of the settlement? If the Commonwealth has had to pay, we should know how much has been paid; and if nothing was paid, we should know that, too. The Prime Minister, however, has never seen fit to tell the country what was done in the case. I do not think that the Minister at the table (Mr. Groom) desires to cover anything up; if there has been any covering up it has been done by the Prime Minister (Mr. Hughes). Should Ministers persist in withholding this information, the Committee should force them to disclose it.

Mr. TUDOR.—The expenditure was not provided for in last year's Estimates, but was paid out of the Treasurer's

Advance. It was paid without parliamentary authority.

Mr. PARKER MOLONEY.—If it did not appear in last year's Estimates, and does not appear in these, there must be a desire to cover something up. Is it a fact that the money was paid out of the Treasurer's Advance without any authority from this House? If so, how much was paid?

The CHAIRMAN (Hon. J. M. Chanter).—The honorable member is now going too wide of the question before the Chair. I cannot allow a general discussion of last year's Estimates.

Mr. PARKER MOLONEY.—I hope you are not going to keep me down to those narrow limits. The sum is not on last year's Estimates.

Mr. GROOM.—It is in last year's expenditure.

The CHAIRMAN.—The Estimates for the current year are now before the Committee, and in a separate column is shown the expenditure on various items for last year. That expenditure has taken place, and the Committee that dealt with it was responsible for it. This Committee cannot revise it. The honorable member may make inquiries from Ministers regarding it, but he must not go beyond that.

Mr. PARKER MOLONEY.—Am I not in order in discussing the general policy of the Attorney-General's Department?

Mr. GROOM.—You are discussing a specific item.

Mr. PARKER MOLONEY.—I am discussing the general policy of the Department in connexion with a certain matter. The expenditure was incurred in connexion with this Department, and no provision was made for it on this year's or last year's Estimates. If it was unauthorized, and the payment was made out of the Treasurer's Advance, we ought to know about it. If we do not know about it, it is a reflection on the Department. If the Department will do work in that slipshod manner, we have a right to know it. I am sure the Minister at the table (Mr. Groom) will not stand for that kind of thing. The expenditure took place, and the payment, whether authorized or unauthorized, must have been made, but no provision is made for it on the Estimates. Why?

Mr. LAIRD SMITH.—To which item on the Estimates is the honorable member referring?

Mr. PARKER MOLONEY.—I am discussing the total of the Attorney-General's Department. The Minister for the Navy (Mr. Laird Smith) will not be able to confine me to such limits as will debar me from mentioning the matter at all. I am sure that if this matter were connected with the Department for the Navy, the Minister would expect to have his Department criticised in the same way. If the Attorney-General's Department is accustomed to carry on its business in this way it is time that Parliament had an opportunity of discussing the Department's whole policy. Such a slipshod manner of doing business would be a reflection on any Department. The Prime Minister, who is also the Attorney-General, should not have the power and privilege to do this kind of thing. It should not be his special right to carry on business in that slipshod manner. We want to know the terms on which the action was settled, and what the amount was. We have no idea of the terms or conditions. Instead of answering or endeavouring to answer the question, or even admitting that the matter is important, the Minister at the table (Mr. Groom) politely asks us to pass on to the next business, as if this thing meant nothing, and was of no consequence to the people. We should not be doing our duty to the people who sent us here if we consented to do business in that way. I sincerely trust that other honorable members will express their opinions about a transaction of this kind, because if it is allowed to pass in one instance there will be no end to it. It does not matter whether the amount was large or small; it is a matter of principle. If that kind of thing can be done by one Minister, because he happens to be the Prime Minister and Attorney-General, who, under the War Precautions Act, has been able to do very much as he liked during the past four or five years, it is time the House put a stop to it. It is a method of doing business that no other Minister would stoop to. It could only be done by one who has become so accustomed to do things in his own way that he practically turns his back on the people and tells them that he will continue to do just as he likes. The Committee should take

the opportunity of saying that it does not indorse that line of conduct. It is surprising to find so many Government supporters ready to let it go on and pass it over as if it meant nothing. I do not stand for the principle of the country protecting the Prime Minister, or any other Minister, in any litigation that he allows himself to be dragged into and then telling those who have to foot the bill that they have no right to know the terms upon which the action is settled. Those of us who are here to protect the peoples' interests have a right to protest. We should be failing in our duty if we did not compel the Government to give some explanation of this business. I hope the Minister will give the Committee an opportunity to know something about it. If not, we shall have to do as the honorable member for West Sydney (Mr. Ryan) suggests, and take some other means of finding out the facts. The matter has been clouded, and the people of this country have been kept in the dark too long about matters of this kind.

Mr. CONSIDINE (Barrier) [9.22].—

The request made by the honorable member for West Sydney (Mr. Ryan), and supported by the honorable member for Hume (Mr. Parker Moloney), is most reasonable, and I cannot understand why the Minister (Mr. Groom) refuses to give the Committee the information that has been asked for. He has admitted that a certain amount of money was paid. I understand it came out of the Treasurer's Advance. Why cannot he tell the Committee how much was paid and what arrangement was entered into? The money paid may have represented damages, for all that we know. The case may have been settled out of Court, and Australia may have had to pay a very substantial sum on account of the Prime Minister's adventures on the other side of the world. For all we know, the country may have been saddled with a large expenditure. All we are given is a vague statement that a certain sum was paid. That payment was never authorized by this Parliament, because Parliament was never consulted. It does not appear on any of the Estimates. When the Minister is asked to explain to the representatives of the people the circumstance of the payment of a large sum of money, no proper reply is given, and no justification is offered for the payment. No

attempt is made to defend the action of the Government. I want to know why the Government paid the money. Why was the Commonwealth saddled with this expenditure? If the Minister will not give the information, we shall have to create an opportunity for him to do so. In order to give him that opportunity, and as a protest against his action in refusing to tell the Committee the reasons for the payment and the amount actually paid to Merton and Company, I move—

That the item "Crown Solicitor, £1,250," be reduced by £1.

The Ministry have done some very high-handed things in their time, and Parliament is being reduced more and more to a mere echo of Ministerial acts. The Ministry have arrogated to themselves the right to do various things without consulting Parliament; and, judging by the meek spirit in which their followers have received their actions from time to time, for all practical purposes this Parliament might as well not exist at all. This is the most recent example of the high-handed way in which the Government have conducted the affairs of Australia. The Prime Minister went to Great Britain and became involved in a law suit. After all the spectacular stuff which appeared in the newspapers about the great fight that was to be made in connexion with the case, we now learn that the matter has been hushed up, that Merton and Company have been bought off, and no information is vouchsafed to the taxpayers or their representatives. Apparently, all the use they are to find the money, and all the use we are to simply to say "yes" to whatever the Government do. Otherwise we are expected to be like dumb dogs. If members are content to acquiesce in this kind of thing, they might as well stay comfortably in their homes and enjoy themselves, instead of bothering their heads to come here.

Mr. WISE.—Why do they not?

Mr. CONSIDINE.—I dare say that would suit the Postmaster-General, but I do not know whether it would suit his constituents. I do not know whether the people's lack of interest in parliamentary proceedings has reached the stage at which they are content to "pay, pay, pay," without any inquiry being made or any discussion taking place of the Prime Minister's vagaries on the other

side of the world. I am not prepared to acquiesce in that line of conduct, or to act like a dummy here. I agree with the honorable member for West Sydney that, if Ministers are going to treat us in that cavalier fashion, and refuse even to have the courtesy to reply when a question of vital importance concerning the payment of a large sum of money is asked of them, it is time we knew what was behind it all. Why do the Government want to hush this thing up? What is it that they want to cover up? It would seem that more than actual expenses were paid in this business. If not, why do the Government persist in refusing to divulge the information asked for? One would have thought that, if there was anything peculiar about this particular case, the item would have appeared on the Estimates in the ordinary way, and been duly authorized by Parliament; but, in this case, the money has been paid out without the people's representatives being consulted, and when they dare to ask a question on the matter it is ignored and nothing is done. As a protest against this high-handed procedure I submit my amendment.

Mr. McWILLIAMS (Franklin) [9.31].—The position is extraordinary. I have had a fairly long parliamentary experience, but I have not known of an instance like this to occur before.

Mr. WISE.—You have never heard a question like this asked before on the previous year's expenditure.

Mr. McWILLIAMS.—According to the information given to the Committee this item did not appear in last year's Estimates.

Mr. GROOM.—That is correct.

Mr. McWILLIAMS.—Then it is useless to say that we are discussing last year's Estimates. But what course is open to us if the money was spent last year without parliamentary sanction and we are prevented from discussing it on this year's Estimates? I have never known a case like this to occur before, and I doubt if there has been any instance of the kind in any other British Parliament. An item of £3,087 appears in this year's Estimates as having been expended last year in America, in connexion with the action brought by Mr. Merton against the Prime Minister (Mr. Hughes), but no particulars are given in regard to it to indicate whether it is the total amount involved, or whether it was

paid for law costs or in liquidation of damages. Nor do we know that next year we shall not be placed in exactly the same position. I presume that this money has been paid out of the Treasurer's Advance Account, but, if so, it has been very improperly paid out of it.

Mr. TUDOR.—If the case has cost £3,087 in America, how much more is it likely to cost in Great Britain where the proceedings were commenced?

Mr. McWILLIAMS.—Quite so. The Minister (Mr. Groom) in charge of these Estimates should be frank with the Committee. The question put to him was quite a pertinent one. In fact, honorable members would have been neglecting their duty if some one had not asked it. It is historic and proverbial that the Crown shall not spend money without the consent of Parliament, but the practice is that, if in extraordinary circumstances this is done, a Minister, immediately the House meets and the Estimates are introduced, points out to Parliament the reason for the urgency of the expenditure during the recess, and explains the nature of it. To smuggle an item through in this way is unfair to honorable members.

Mr. GROOM.—How can it be said that we are attempting to smuggle the item through when it appears in print?

Mr. McWILLIAMS.—It is certainly in print, but the Minister has asked the Chairman to rule that it cannot be discussed, because there is no item of expenditure appearing in this year's Estimates in connexion with the matter.

The CHAIRMAN (Hon. J. M. Chanter).—The honorable member is in error in stating that the Minister asked me to give that ruling. He did no such thing.

Mr. McWILLIAMS.—The Minister made the statement that the matter was not contained in this year's Estimates, and you, Mr. Chairman, ruled immediately afterwards that it could not be discussed, because it was not in the Estimates.

The CHAIRMAN.—I ruled in that way of my own volition, and not at the instance of the Minister.

Mr. McWILLIAMS.—I did not intend to convey the impression that I held you had ruled as you did at the instigation of the Minister; at the same time, I

contend that the Minister raised the technical point that as the item was not in this year's Estimates, it could not be discussed. This is the first opportunity honorable members have had of dealing with this expenditure of over £3,000, which was not on last year's Estimates. It is most improper to place last year's expenditure in this year's Estimates and make it appear that the Committee, in passing the Estimates, has given its consent to it.

Mr. POYNTON.—No Estimates have been brought down to this House except in the first year of Federation without references in them to expenditure in previous years.

Mr. McWILLIAMS.—If the Minister had placed the item in the Estimates of expenditure for this year, and had explained it, honorable members would have been in a position to deal with it; but it is not fair to Parliament to spend money in this way without its consent, and then place it in the Estimates as an item already expended, thus preventing the Committee from obtaining information in regard to it. As the Leader of the Opposition (Mr. Tudor) has pointed out, as the case originated in Great Britain and was settled there, it is only reasonable to suppose that a considerable portion of the total expenditure incurred in this regard took place in Great Britain. At any rate, it is a monstrous proposition to contend that because this expenditure was incurred last year, although it appears in print at the bottom of a page in this year's Estimates, it cannot be discussed by this Committee. It is a position that should not be tolerated by any responsible Parliament. I shall vote for the amendment. I hope that honorable members will always resent expenditure which is incurred without opportunity being afforded to Parliament to discuss it; and I am afraid that unless we protest most vigorously, we shall have a repetition of this method of conducting affairs when the next Estimates come before us.

Mr. LAZZARINI (Werriwa) [9.40].—I was very much surprised to learn that this item of expenditure did not appear in last year's Estimates, because I had hardly opened my mouth to speak upon the matter when the Minister (Mr. Groom) declared that it was on last year's Estimates. However, what concerned me most when I first mentioned it was not so

much the amount showing as having been expended, but the extent to which the Commonwealth has been committed in connexion with this legal action. If it is the practice of the Department of the Attorney-General to pay amounts like this, perhaps even larger sums, out of the Treasurer's Advance Account, or in any other way, without this Parliament having the opportunity of discussing or authorizing them, we are drifting into very dangerous channels. If the Minister would tell us the total amount in which the Commonwealth has been involved in this unfortunate business, and the exact terms of settlement, we might be able to take proper steps to see that this kind of thing does not occur again. Certainly, the Prime Minister (Mr. Hughes) was not acting as Attorney-General when action was taken against him by Mr. Merton; and I understand that some other Minister, who was administering the Department, took steps to indemnify him to the full amount of the costs in which he would be involved in respect of some of his utterances in Great Britain. But this method of covering the expenditure would seem to indicate that there is something sinister about it. In another case in which a Government have just recently undertaken to pay the legal expenses of a Minister in a certain action, they were quite frank in telling Parliament what they proposed to do. I was concerned about the case against the Prime Minister, because repeated questions have been asked in the House regarding it, and one night the Treasurer (Sir Joseph Cook) had to refer the honorable member for West Sydney (Mr. Ryan) to the Attorney-General for the information he required, because he knew nothing about this expenditure of £3,087. I wonder if many similar amounts, about which he knows nothing, have been paid out of his Advance Account. What is agitating honorable members mostly is their desire to have some definite information as to the terms upon which this case has been settled. They want to know whether this item of £3,087 represents legal expenses only, or covers damages, or whether it is the whole of the expenditure in which the Commonwealth has been involved in this case, or only part of it. Perhaps the Prime Minister (Mr. Hughes), who is now in the chamber, will supply the information.

This matter could not have been fixed up without some documents being in existence. What are they? Is this amount to which the Commonwealth has been committed to be paid out of the Treasurer's Advance, as other expenditure has been? The Prime Minister may laugh; but, to my mind, playing fast and loose with the taxpayers' money is no laughing matter. It is all very fine for the Prime Minister, with his servile majority behind him—

The CHAIRMAN (Hon. J. M. Chatter).—I ask the honorable member to withdraw that expression.

Mr. LAZZARENI.—I withdraw the word "servile." It is due to the people of the country, who have to foot the bill, that they should be told exactly to what amount the Commonwealth has been committed in connexion with this matter. I ask the Prime Minister to give the Committee a full explanation of this item. I support the amendment. If honorable members are faithful to the trust reposed in them by the people, they will jealously guard the public funds, and demand from the Government an explanation of this expenditure.

Mr. HUGHES (Bendigo—Prime Minister and Attorney-General) [9.49].—I am sorry I was not in the chamber when this matter was first mentioned. I should have been very glad to give honorable members all the information I possess. The facts are very simple. During my last sojourn in Great Britain I found it necessary to make some observations with reference to a certain firm. To my remarks the firm took exception, and, as a result, my words being, as the firm alleged, actionable, the case was referred to the Courts. I had made similar statements in this Parliament long before I went to England, as I believed, and still believe, them to be true; and as I thought it very necessary that I should repeat them when I did, I communicated with the Government, telling them that Merton and Co. had taken action against me, and asking whether I should defend the action personally, or whether the Government would defend it. The Government replied that they would pay the expenses of the action. Although I was in England for a long while after the action was started—I should say the best part of twelve months—the case was not called

on until after I left for Australia. Honorable members know what legal actions are. I was a long way off. Juries are much influenced by the demeanour in Court of the plaintiff and the defendant. I was not in England to exhibit my demeanour, and my counsel thought that that fact would prejudice the case very materially. A gentleman whom I do not know, but who had been a director of the company, indicated that if I would declare that I had not intended what I had said to apply to him personally, he would be prepared to proceed no further. I was perfectly ready to say that I had not intended to refer to him personally; I referred to Merton and Co. He was not Merton; as a fact, he was, I believe, a Scotsman. Thereupon it was suggested that we should compromise, each party paying his own costs. As a result of my experience of the law as a litigant, I thought it a wise course to follow, and I am a little surprised that the lay members of this Committee, especially honorable members opposite, should censure me for a course which has saved this country tens of thousands of pounds. Had I been one of those litigious persons who insist upon proceeding with a case, whether I had won or lost, or whether it had arrived at one of those inconclusive decisions which are not unknown to the law, and by which both parties retire to "lick their wounds," and the lawyers to count the "boodle," the Commonwealth would have been very much to the bad. The honorable member for Werriwa (Mr. Lazzarini) wants to know the details of this expenditure. I am sorry I cannot give them. I do not know how much more, if any, is to be paid. The whole of the money has gone to the lawyers. It was necessary to work up the case in America. We had some very valuable information, and the case was in the competent hands of a most reputable firm of lawyers in the United States of America. As the honorable member knows—or if he does not know I hope he will never live to learn from bitter experience—the law is a very costly thing, and the expenses incurred in America were all absorbed in the preparation of our defence. To-morrow, if the information is in the possession of the Department, I shall be prepared to let the House and the country know the total amount of money

Mr. Hughes.

that has been paid. So far as I am aware, the case is quite settled, but the item to which reference has been made is apparently wholly in liquidation of the expenses in America alone. More than that I am unable to say. I am sorry I have not fuller information with me. I did not know that the case was to be called on, or otherwise I should have been prepared. It is a little hard that honorable members should ask me these questions in regard to a case which I am satisfied was one in which ninety-nine out of a hundred Australians would have supported me. Of course, I would have no objection to giving the information if I had the facts ready. I took up the metals question at the beginning of the war, and in this House, when I had the honour of leading the Labour party, I made the first attack on the Merton group. I repeated in England what I said here, and I thought there were good reasons why my statement should be repeated. Only the other day I was asked whether I was in favour of re-opening trade with Germany. I replied that I was not, although some of these very firms, under different names, are now trying to re-establish their hold on the metals industry. I shall be very glad to supply the information asked for directly it comes into my possession.

Mr. MATHEWS (Melbourne Ports) [9.58].—The objection taken by honorable members on this side is not to the defending of this case, but to the fact that this expenditure appears on the Estimates for the current financial year as having been expended last year, although it was not shown on last year's Estimates. The Prime Minister (Mr. Hughes) will agree that if he were on this side of the House, and expenditure incurred in one year appeared for the first time in the Estimates for the year following, he would desire to know the reason.

Mr. HUGHES.—So far as I can recall, this case was settled some months after I returned. The money could not have been paid a very long time ago.

Sir JOSEPH COOK.—The accounts could not have been presented when the last year's Estimates were prepared.

Mr. TUDOR.—The Treasurer said that the item was in last year's Estimates. I have looked up last year's Estimates, and the item does not appear there. Therefore, the money must have been paid out of the Treasurer's advance.

Mr. GROOM.—That is quite right.

Mr. MATHEWS.—The House had no opportunity to discuss the item last year, and when we try to discuss it now we are told that as it was expenditure for the last financial year it is not open to discussion. A different course should have been followed. At the close of each year certain amounts for payment are submitted to Parliament. It was not done in this case, and this is the first opportunity we have had of ascertaining the amount expended. The Prime Minister must admit that the position is somewhat unusual.

Mr. HUGHES.—As soon as we ascertain the position full particulars will be given setting out the details of the expenditure.

Mr. MATHEWS. — I am pleased to learn that the Prime Minister is in that spirit, because his colleague the Minister for Works and Railways (Mr. Groom) was not prepared to give any information when the point was raised by the honorable member for West Sydney (Mr. Ryan) and the honorable member for Werriwa (Mr. Lazzarini). When they were endeavouring to deal with it, the Chairman pounced down on them and said the amount was expended last year.

The CHAIRMAN (Hon. J. M. Chanter).—Order! The Chairman did nothing of the kind. I decidedly object to any member of this Committee making an incorrect reference to the action of the Chair. The honorable member for Werriwa (Mr. Lazzarini) proposed to remove the item altogether, and moved an amendment dealing with an amount that was expended last year. I intimated that he was quite out of order, and could not move in that direction, because the matter had already been dealt with by another Committee, and the money expended. I explained that he could not reduce that sum by any amount, however small, and I did not restrict honorable members in any way, or prevent them from referring to the question, and that is proved by the fact that the matter has been under discussion for the last hour or so. I gave honorable members the fullest possible latitude, and I trust the honorable member for Melbourne Ports (Mr. Mathews) will not further reflect upon the Chair.

Mr. MATHEWS.—I was not reflecting upon you, Mr. Chairman, or con-

demning your action, because you could not have taken any other course but the one you did. Honorable members may laugh, but it is no laughing matter, because this is the only occasion on which we have had an opportunity, according to the rules of the House, of discussing the question, and we should not be placed in this position.

Sir JOSEPH COOK. — It is anomalous, and I shall endeavour to clear the matter up in the morning.

Mr. MATHEWS.—Now we are being met in a different spirit, and if the Minister for Works and Railways had adopted that attitude we would have known where we were. It was the duty of the Minister to have given some explanation to honorable members on this side of the chamber.

Mr. HUGHES. — In justice to my colleague, I must say that he was not a party to the case, and really could not be expected to be conversant with the details. I do know something about it, as I was one of the parties. I have not the particulars before me, but I shall supply them.

Mr. TUDOR. — We want to know the total.

Mr. HUGHES.—I do not know what it is, but I will supply it as soon as it is available.

Mr. MATHEWS. — The Treasurer (Sir Joseph Cook) admits that the position is anomalous, and I want to be sure that this practice will not be adopted in this House again. It is quite possible that the members of the Opposition may not have noticed the item, and nothing more would have been heard of it. That is not the correct way of conducting business, particularly when the members of the Opposition have to fight an overwhelming majority, and cannot get justice.

Mr. HUGHES. — My colleague informs me that it will come down on the Supplementary Estimates.

Sir JOSEPH COOK.—Why not leave it until we can clear it up?

Mr. MATHEWS.—How can it appear on the Supplementary Estimates when it is on last year's Estimates, and has already been paid?

Sir JOSEPH COOK.—It may have just been included on last year's Appropriation Bill.

Mr. MATHEWS.—It says distinctly that the money has been paid, and this House has never had an opportunity of dealing with it. We were prevented from discussing it, because the item appeared on last year's Estimates, and I trust honorable members will not be placed in a similar position again.

Mr. TUDOR (Yarra) [10.4].—I have not spoken on this vote, apart from referring to an item relating to the Arbitration Court; but I think it is only fair that I should state what actually happened. When this item was called on—as I mentioned in a somewhat lengthy interjection—it was stated that the amount appeared in last year's Estimates. I immediately sent for a copy of those Estimates, and found that it did not appear there. I said that it must appear in some Estimates, and probably it would be found in the Supplementary Estimates. Honorable members probably realize that they will in all probability be called upon to discuss the Supplementary Estimates and pass a million or two at 3 or 4 o'clock in the morning, when they are very tired, and when such an item would probably be overlooked, as that has been the case in the past.

Mr. CONSIDINE.—Why did not the Minister for Works and Railways make a statement?

Mr. TUDOR.—If he had done so, I think we would have disposed of this vote an hour ago.

Mr. GROOM.—Honorable members opposite wanted to discuss more than that.

Mr. TUDOR.—That is not the point. The Estimates cover fifty pages of detailed matter, and it is quite possible that certain items may be overlooked. I believe the honorable member for Werriwa (Mr. Lazzarini) and the honorable member for Hume (Mr. Parker Moloney) have done right in directing attention to this matter, and have not done more than the Treasurer (Sir Joseph Cook) would have done had he been in Opposition. Probably, if the Treasurer had been on this side of the chamber in similar circumstances, he would have written a second edition of *The Financial Carnival*, and shown how expenditure was incurred without the authority of Parliament. I am glad to have the explanation of the Prime Minister (Mr. Hughes), and I

trust that the total amount expended will be supplied at an early date to enable honorable members to ascertain our full liability in this connexion. When a Government has to stand behind Ministers who make irresponsible statements, such as those made by the Assistant Minister for Defence (Sir Granville Ryrie) in connexion with another case, we should be supplied with the fullest possible details, because the people have to pay.

Sir JOSEPH COOK (Parramatta—Treasurer) [10.7].—The explanation is simple. This amount has been paid out of the Treasurer's Advance, and later the Supplementary Estimates will be submitted to Parliament containing this item.

Mr. RYAN.—What is the total amount?

Sir JOSEPH COOK.—I do not know; but the amount set down at the time it was placed there was the total at that time. There is an item which is precisely the same under the Prime Minister's Department in connexion with the visit of the Prince of Wales.

Mr. TUDOR.—That is for last year.

Sir JOSEPH COOK.—Yes. There is an item of £17,301, and also an amount of £37,700 to be voted this year on the ordinary Estimates, as it could not be placed on last year's Estimates, but had to be spent, and this will have to be included in the Supplementary Estimates to be presented to Parliament. It is the invariable practice adopted when emergency expenditure arises, and when it cannot be included in the ordinary Estimates. It will, however, have to come before the House.

Mr. RYAN (West Sydney) [10.9].—I have listened with interest to the explanation of Ministers, but I am still under the impression that this matter can be discussed whether any particular item on the Estimates is mentioned or not, because it involves the policy of the Attorney-General's Department. The question of the terms of settlement in the action against the Prime Minister, in which he was indemnified by the people of Australia, is a proper subject for discussion on these Estimates. There would have been no trouble if the Assistant Attorney-General (Mr. Groom) had given the information that was subsequently supplied by the Prime Minister (Mr. Hughes).

Instead of attempting to give any explanation, however, he absolutely ignored the request that was made by the honorable member for Werriwa (Mr. Lazarini) and myself to have information given on the subject. Had not the matter been pressed, as it was pressed by us, honorable members would not now be aware of the terms of settlement in that action. The public of Australia would also have been unaware of them. For some reason or other, they were kept entirely in the dark upon the subject at the time the action was settled. I remember asking the Treasurer (Sir Joseph Cook) what were the terms of settlement, and was referred by him to the Attorney-General. That happened, I think, on one or two occasions. The people of Australia are now for the first time informed by the Prime Minister of the terms of the settlement, and we find that it involves a considerable number of thousands of pounds to the Commonwealth. At a time convenient to the Prime Minister, I should be glad to hear what the total amount is; but the fact remains that the action has cost the Commonwealth several thousands of pounds.

Mr. HECTOR LAMOND.—It was a good investment.

Mr. RYAN.—It may be that it was a better investment than would have resulted from fighting the case. I do not know that the defendant's case would have been improved by his demeanour in the witness-box. I am not so sure that, in that event, the Commonwealth might not have been mulcted for many thousands of pounds.

Sir JOSEPH COOK.—The honorable member was in London at the time, and will recollect that the people there wanted to subscribe £40,000 to defray the Prime Minister's costs of the action.

Mr. RYAN.—This is the first I have heard of that offer. It is a pity it was not accepted. I am merely commenting now on the statement that the settlement was a good one. When you have a very bad case it is a good thing to induce both sides to pay their own costs, even if you have to climb down as the Prime Minister did.

Mr. HUGHES.—The honorable member must not say that. That is a very mean and contemptible statement.

Mr. RYAN.—The Prime Minister's own statement this evening was——

Mr. HUGHES.—That is not true.

Mr. RYAN.—Will the right honorable gentleman listen to what I have to say? The Prime Minister, in his own statement this evening, admitted that, in order to get the matter settled, he made a statement which, I have no doubt, is recorded, and was made openly in Court, that he did not refer to a particular individual.

Mr. HUGHES.—Quite so. I said that the case was *Merton v. Hughes*, and I did not withdraw what I said against *Merton*.

Mr. RYAN.—Did the Prime Minister withdraw anything? That is the point.

Mr. HUGHES.—The honorable member has been at the bar a good while, has he not?

Mr. RYAN.—I have; and I know that when a defendant makes a statement in Court that he did not refer to a particular individual personally, that statement must have been a condition upon which the plaintiff insisted, and he must have had a right of action. If the plaintiff had not any right of action, and the words complained of were not construable as referring to him, there would be no need to say that they did not refer to him.

Mr. HUGHES.—He had a right of action; he was a director, and I did not refer to him as an individual.

Mr. RYAN.—Then the statement complained of must have been open to the construction that the right honorable member did refer to him. I do not wish, however, to discuss now the merits of the settlement. I merely point out that if the honorable member for Barrier (Mr. Considine) had not moved his amendment, and if we had not insisted upon the course that was subsequently taken by us, this Committee would not now be aware of the terms of the settlement.

Mr. HECTOR LAMOND.—And if the honorable member had not refrained from putting a question on the subject to the Attorney-General, as he was asked to do, when, according to his own statement, he questioned the Treasurer on the subject, the public would have known all about it long ago. He said just now that he let the matter drop.

Mr. RYAN.—The honorable member is always prepared to step in and to draw

the nuts out of the fire, just as he did when he moved the adjournment of a certain debate in this House a few weeks ago. He was interjecting to the Treasurer that our returned soldiers were entitled to have their bonds made negotiable; but, as soon as he got the opportunity he moved the adjournment of the debate in order to defeat the motion.

The CHAIRMAN (Hon. J. M. Chanter).—Order! That is not the question before the Chair.

Mr. RYAN.—It is just as well that we should let the honorable member for Illawarra (Mr. Hector Lamond) know the truth in regard to himself when he interjects in this way. To return to the subject under discussion, I am glad that we have obtained this information, and I hope that at some time in the near future the Prime Minister will supply the remaining particulars that he has promised to give us. We shall then be able to form an opinion as to whether or not the matter should be further discussed.

Mr. CONSIDINE (Barrier) [10.15].—It has become quite apparent that, had not this amendment been moved, no explanation would have been given to the Committee concerning the terms of the settlement. The Minister in charge of these Estimates (Mr. Groom) absolutely refused even to answer the questions that we put to him on the subject. Now that the amendment has been moved, we have the spectacle of the honorable gentleman seeking reinforcements, and Ministers tumbling over each other, so to speak, in their anxiety to explain that the information was not withheld for any particular reason, but that the whole matter will be submitted to us when the Supplementary Estimates are introduced. If the Minister in charge had made that statement at the outset, as he could very well have done without going into details, the time of the Committee would have been saved. Now that we have been given an assurance that we shall be able to further discuss the matter when the Supplementary Estimates are before us, and the Prime Minister has promised us that full information as to the cost of the action to the Commonwealth will be given, we may well defer until then the further consideration of this famous case.

Mr. CUNNINGHAM (Gwydir) [10.18].—I have very much pleasure in supporting the amendment moved by the honorable member for Barrier (Mr. Considine), because to my mind this item of expenditure should not have been incurred. I do not see why the people of the Commonwealth should be called upon to pay for the mistakes of the Prime Minister (Mr. Hughes) when he was not acting in an official capacity. He was not acting in an official capacity when he made the statements complained of.

Sir JOSEPH COOK.—No mistake was made.

Mr. CUNNINGHAM.—The statement made by the Prime Minister was that Merton and Company were disloyal, and had done something against the interests of the British Empire. They immediately entered an action against the Prime Minister, and he showed that they had sufficient grounds to go on when he withdrew from the position he had taken up. The people are now asked to pay for a mistake made by the right honorable gentleman when he was not acting in an official capacity. I object to that. The Prime Minister, in his usual way, clawed the air, and accused every one else of being disloyal because they did not believe in him. He has such a warped vision of these matters that, although the rest of the British Empire is trading with Germany, he admits that he is not prepared to do anything. He has this mania, and he cannot see as others do. He is very much like the boy in the squad, who thought that every one except himself was out of step. And now the people of Australia have to pay for the wind blowing his tongue about and for his inability to control his utterances on the other side of the world. The people of Australia ought not to be called upon to pay one penny of this expenditure, and it is a disgrace to the Government that they are asked to do so. The Prime Minister admitted by his attitude in Court that he had no justification for the statements which he had made. What quibbling it is to say that he accused Merton and Company of being disloyal, but did not include Mr. Merton himself.

Mr. HUGHES.—I did not say that at all.

Mr. CUNNINGHAM.—What is the difference? If I accuse the Government

of being careless and negligent, do I not accuse every member of it of being careless and negligent? Of course, a very fine point of law may be involved. It may be a mere splitting of straws, but the Prime Minister will not get the people of Australia to recognise it. It is all very well for gentlemen who are trained in the subtleties of the law to raise these fine points, but the taxpayer has a right to inquire what justification the Prime Minister had for making these statements, seeing that he was not prepared to defend the attitude which he had taken up. If he had any justification for his statements, would he not have defeated Merton and Company in a Court of law? Does he suggest that he would not have received justice in a British Court? Why did he withdraw, why did he back down, and why are we now asked to put this burden upon the shoulders of the people of Australia?

Mr. HUGHES.—Let me ask the honorable member one question—why did he not go to the war?

Mr. CUNNINGHAM.—Why does not the Prime Minister mind his own business?

Mr. HUGHES.—That got you the first time.

Mr. CUNNINGHAM.—That is my concern. I ask the Prime Minister how much he contributed towards the early conclusion of the war?

Mr. HUGHES.—The honorable member ought to be ashamed of himself.

Mr. CUNNINGHAM.—I am not ashamed of myself.

Mr. HUGHES.—Of course you are not, but you ought to be.

The CHAIRMAN (Hon. J. M. Chanter).—Order! Will the honorable member be good enough not to proceed in that strain?

Mr. CUNNINGHAM.—I will stand up and defend myself in this chamber against the attacks of any honorable member, and I look to you, sir, to protect me from the insults of the Prime Minister or anybody else.

Sir JOSEPH COOK.—Does the honorable member call the asking of a question as to why he did not go to the war, an insult?

Mr. CUNNINGHAM.—Where are the Treasurer's medals for having fought

for the Empire? He is one of the "Would to Godders" who were too old to go.

The CHAIRMAN.—Order! If the honorable member continues in that strain, I shall order him to discontinue his speech.

Mr. FRANCIS.—Apologize.

Mr. CUNNINGHAM.—I will not. I have nothing to apologize for. Why do not Ministers set an example to honorable members in this Chamber?

The CHAIRMAN.—Order! Will the honorable member confine himself to the discussion of the amendment?

Mr. CUNNINGHAM.—I am merely defending the taxpayers of this country by urging that they ought not to be asked to carry this burden which has been imposed upon them by the windy speeches of the Prime Minister, who cannot control himself.

The CHAIRMAN.—Order! I insist that the honorable member shall not indulge in these personalities.

Mr. PARKER MOLONEY.—Cannot he answer an interjection?

The CHAIRMAN.—Order! The honorable member for Hume is now out of order.

Mr. TUDOR.—You will let honorable members interject from the other side of the Chamber.

The CHAIRMAN.—Order! The honorable member for Yarra is out of order.

Mr. TUDOR.—Well, you name me.

The CHAIRMAN.—I look to the honorable member to assist me in the preservation of order.

Mr. TUDOR.—I will give you fair play when you extend fair play to us.

The CHAIRMAN.—I ask the honorable member to withdraw that remark.

Mr. TUDOR.—Oh! I withdraw. You allowed the Prime Minister to interject, and also the honorable member for Illawarra (Mr. Hector Lamond).

The CHAIRMAN.—Order! The honorable member must withdraw his remark unreservedly.

Mr. TUDOR.—I will withdraw it and state what I think.

The CHAIRMAN.—The honorable member is the Leader of a party, and the Chair has a right to look to him to assist it in maintaining order.

Mr. MATHEWS.—And he ought to get fair play.

Mr. PARKER MOLONEY.—The Prime Minister is also the Leader of a party.

The CHAIRMAN.—If the honorable member for Hume interjects again I shall name him.

Mr. MATHEWS.—Name, and be damned to you.

The CHAIRMAN.—I ask the honorable member for Melbourne Ports to withdraw that expression and apologize to the Chair.

Mr. MATHEWS.—I apologize, and crawl on my stomach all the way up to you.

The CHAIRMAN.—If the honorable member insists upon taking up that attitude I shall have no option but to name him. I ask him to assist me in maintaining the dignity of the Committee.

Mr. MATHEWS.—You have not any dignity.

The CHAIRMAN.—I name the honorable member for defying the Chair.

Mr. MATHEWS.—I never saw a more unfair thing in my life. You allow honorable members opposite to do just what they like. You call yourself a Chairman. I am damned if you are fit for the position after to-night's exhibition.

At this stage the honorable member for Melbourne Ports retired from the Chamber.

The CHAIRMAN.—The retirement of the honorable member makes no difference. The motion for his suspension must be moved.

Motion (by Mr. HUGHES) proposed—

That the honorable member for Melbourne Ports (Mr. Mathews) be suspended from the service of the Committee.

Question put. The Committee divided.

Ayes	31
Noes	9
Majority	22.

AYES.

Atkinson, L.	Lamond, Hector
Bell, G. J.	Lister, J. H.
Blundell, R. P.	Mackay, G. H.
Cameron, D. C.	Marr, C. W. C.
Cook, Sir Joseph	Maxwell, G. A.
Cook, Robert	McWilliams, W. J.
Corser, E. B. C.	Poynton, A.
Fleming, W. M.	Prowse, J. H.
Francis, F. H.	Rodgers, A. S.
Gibson, W. G.	Ryrie, Sir Granville
Greene, W. M.	Smith, Laird
Gregory, H.	Wienholt, A.
Groom, L. E.	Wise, G. H.
Higgs, W. G.	<i>Tellers:</i>
Hughes, W. M.	Burchell, R. J.
Jackson, D. S.	Story, W. H.

NOES.

Considine, M. P.
Cunningham, L. L.
Lazzarini, H. P.
Moloney, Parker
Page, James

Ryan, T. J.
Tudor, F. G.
Tellers:
Charlton, M.
Makin, N. J. O.

PAIRS.

Bamford, F. W.
Bayley, J. G.
Best, Sir Robert
Bowden, E. K.
Bruce, S. M.
Chapman, Austin
Foster, Richard
Fowler, J. M.
Livingston, J.
Marks, W. M.
Watt, W. A.
Hay, A.
Hill, W. C.
Jowett, E.
Page, Dr. Earle

Blakeley, A.
West, J. E.
Maloney, Dr.
Watkins, D.
McDonald, C.
Gabb, J. M.
Riley, E.
Fenton, J. E.
Mahony, W. G.
Lavelle, T. J.
Anstey, F.
Nicholls, S. R.
McGrath, D. C.
Mahon, H.
Brennan, F.

Question so resolved in the affirmative.

The CHAIRMAN OF COMMITTEES (Hon. J. M. Chanter).—I have to report continued defiance of the Chair on the part of the honorable member for Melbourne Ports (Mr. Mathews), and that the Committee has agreed to a resolution suspending the honorable member from the service of the Committee.

Question—That the honorable member for Melbourne Ports be suspended from the service of the House—put. The House divided.

Ayes	31
Noes	9
Majority	22

AYES.

Bell, G. J.	Lamond, Hector
Blundell, R. P.	Lister, J. H.
Cameron, D. C.	Mackay, G. H.
Chanter, J. M.	Marr, C. W. C.
Cook, Sir Joseph	Maxwell, G. A.
Corser, E. B. C.	McWilliams, W. J.
Fleming, W. M.	Poynton, A.
Francis, F. H.	Prowse, J. H.
Gibson, W. G.	Rodgers, A. S.
Greene, W. M.	Ryrie, Sir Granville
Gregory, H.	Smith, Laird
Groom, L. E.	Wienholt, A.
Higgs, W. G.	Wise, G. H.
Hill, W. C.	<i>Tellers:</i>
Hughes, W. M.	Burchell, R. J.
Jackson, D. S.	Story, W. H.

NOES.

Considine, M. P.
Cunningham, L. L.
Lazzarini, H. P.
Moloney, Parker
Page, James

Ryan, T. J.
Tudor, F. G.
Tellers:
Charlton, M.
Makin, N. J. O.

PAIRS.

Bamford, F. W.
 Bayley, J. G.
 Best, Sir Robert
 Bowden, E. K.
 Bruce, S. M.
 Chapman, Austin
 Foster, Richard
 Fowler, J. M.
 Livingston, J.
 Marks, W. M.
 Watt, W. A.
 Hay, A.
 Hill, W. C.
 Jowett, E.
 Atkinson, L.
 Page, Dr. Earle

Blakeley, A.
 West, J. E.
 Maloney, Dr.
 Watkins, D.
 McDonald, C.
 Gabb, J. M.
 Riley, E.
 Fenton, J. E.
 Mahony, W. G.
 Lavelle, T. J.
 Anstey, F.
 Nicholls, S. R.
 McGrath, D. C.
 Mahon, H.
 Catts, J. H.
 Brennan, F.

Question so resolved in the affirmative.

Mr. SPEAKER (Hon. Sir Elliot Johnson).—The honorable member for Melbourne Ports is suspended for the remainder of the sitting.

In Committee:

Mr. CUNNINGHAM (Gwydir) [10.39].—I register my emphatic protest against the payment of any money in circumstances such as are now under discussion, because I consider such payments unjustifiable to the people of Australia. They should not be required to find money for a purpose indicated by the Prime Minister himself when he used the phrase, "lawyers have got away with the boodle." It must be enlightening to the people to know that, as the result of the failure of the Prime Minister to hold his tongue, they have been called upon to pay away "boodle" to lawyers. There has been an expenditure of thousands of pounds. Nobody knows what the total amount is going to be. The Prime Minister contends that the secret diplomacy about which we have heard so much of late years should be wiped out; but there has been more secret diplomacy and more smothering-up in connexion with this Parliament than in connexion with any other Parliament in the world. It is like drawing back teeth to get even the most meagre information in regard to matters of the greatest concern to the people of Australia. To-night we had an example of this. It took a couple of hours of strenuous fighting to get a statement from a responsible Minister. There is altogether too much of this going on in Parliament. Owing to the operation of the War Precautions Act, discussion has been stifled both inside and out-

side of Parliament, and the people of Australia have not been able to ascertain what has been done with the money to pay the costs of this case, all due to the bungling and blundering of this National Administration.

Sir JOSEPH COOK.—When are you going to stop your abuse?

Mr. CUNNINGHAM. — The Treasurer, as a representative of the Government, does not like to be reminded of these facts. Let me also tell him that, so far as interjections are concerned, he is the worst offender in this House. He sets a very bad example.

The CHAIRMAN (Hon. J. M. Chanter).—Order!

Mr. CUNNINGHAM. — The Treasurer does not like to be reminded of the fact that the people of Australia have been "bull-dozed," because he has not exercised proper control over his Department.

Sir JOSEPH COOK.—More abuse!

Mr. CUNNINGHAM.—It is because of this smothering-up that honorable members on this side of the House have to fight, in order to see that justice is done, and in order that the people may ascertain what is the real position. Nobody knows what is the state of our finances to-day, because of the keep-it-dark policy of this Government, backed up by the great majority of members who are not prepared to give a fair deal in regard to many matters that come before this Parliament. Nobody can say what this *Merton* versus *Hughes* case has cost the people of Australia. Nobody knows what it is going to cost. I feel very strongly in regard to this matter, because there has been a continual smothering-up of public expenditure, and we have never been allowed to know what is going on. We have never been able to find out how this expenditure has been incurred, and who benefits from it. This is altogether wrong. An assault was made on my character to-night by the Prime Minister, and I tell him—

The CHAIRMAN.—Order!

Mr. CUNNINGHAM.—I tell the Prime Minister that I come into this House with a clean name, and a clean record. There are no Senate scandals behind me, and—

The CHAIRMAN.—Order! The honorable member must not indulge in these personalities.

Mr. CUNNINGHAM. — I tell the Prime Minister that I am not going to take this attack upon my character—

The CHAIRMAN.—Order! I have asked the honorable member to keep away from personalities, but he has deliberately referred to the Prime Minister again.

Mr. PARKER MOLONEY. — But the Prime Minister started it.

The CHAIRMAN.—Order! The honorable member for Hume is out of order.

Mr. PARKER MOLONEY.—Of course, I know that.

The CHAIRMAN.—I again appeal to honorable members to preserve the dignity of the Committee. I ask them not to continue making defiant statements when called to order by the Chair, and not to indulge in personalities.

Mr. CUNNINGHAM.—I have no desire to defy you, Mr. Chairman, or to infringe the rules of this House, but I tell you, sir, that no man is going to make an assault on my character without my defending it.

The CHAIRMAN.—Order!

Mr. CUNNINGHAM.—I have to take up this attitude because of the attack made on me by the Leader of the Government.

The CHAIRMAN.—Order! I direct the honorable member to discontinue his speech. The question is, "That the item be reduced by £1."

Mr. HECTOR LAMOND (Illawarra) [10.45].—I can understand the disappointment of honorable members opposite at the discovery of this mare's nest on last year's Estimates.

Mr. PARKER MOLONEY.—It is not on last year's Estimates at all.

Mr. HECTOR LAMOND.—Their suggestion that there has been an attempt to conceal and cover up certain expenditure is entirely spoiled by the admission of the honorable member for West Sydney (Mr. Ryan) that when some time ago he asked a question of the Treasurer (Sir Joseph Cook) with regard to this matter he was told that it was in the Attorney-General's Department. He then allowed the matter to drop.

Mr. RYAN.—No, he did not.

Mr. HECTOR LAMOND.—There is no record, at all events, of his having asked the question of the Attorney-General, and that only involved the writing out of the question and handing it to the Clerk.

Mr. RYAN.—That is quite incorrect.

Mr. HECTOR LAMOND.—So that the first statement that all this has been discovered because of some action which had occupied a couple of hours of the time of the House to-night is entirely misleading, on the statement of the honorable member for West Sydney himself. If he had pursued his question he would probably have got then as much information as we shall get to-morrow as the result of what has happened to-night. The debate to-night is reminiscent of a good deal we heard in the last Parliament in connexion with the War Precautions Act, which has nothing to do with the case.

Amendment negatived.

Proposed vote agreed to.

Motion that progress be reported, agreed to.

The CHAIRMAN (Hon. J. M. Chanter).—Before reporting progress I should like to appeal, as calmly as possible, to honorable members—

Mr. PARKER MOLONEY.—What is this, an apology?

The CHAIRMAN.—The honorable member for Hume has immediately become offensive again.

Mr. PARKER MOLONEY.—I did not hear what you said.

The CHAIRMAN.—I am asking honorable members of the Committee on both sides of the House, and particularly the leaders and ex-leaders of parties, to assist the Chair in the conduct of business. They may believe that they are in a position to judge as well as the occupant of the chair what is taking place, but that is not so. The Chairman is in an altogether different position. It is his duty to preserve order in debate on both sides, but it is impossible for the Chairman to do that and preserve the dignity of the Committee if he is to be treated as the Chairman has been treated to-night. I have had thirty-five years of parliamentary experience, and never before have I heard language used, unrebuked by the leaders of parties, such as

that which I had to listen to to-night. I therefore make an appeal to honorable members that, when we resume our Committee work on the next day of sitting, they refrain from interjections and personalities, which always lead to disorder. I hope that we shall have no more such scenes as that we have witnessed to-night, and for which one honorable member suffered the penalty.

Progress reported.

ADJOURNMENT.

DEPORTATION OF SHROEDER.

Motion (by Mr. HUGHES) proposed—

That the House do now adjourn.

Mr. TUDOR (Yarra) [10.52].—I wish to hear from the Assistant Minister for Defence (Sir Granville Ryrie) a statement regarding a case about which I have spoken to him, the person concerned being, I understand, a constituent of the honorable member for East Sydney (Mr. West), who is absent with the Finance Committee. A man named Shroeder was interned in 1915, and because of his internment his wife is taking proceedings

against him for divorce on the ground of desertion. He is being deported, and thus being prevented from defending the case. I ask the Minister whether, in view of this fact, his deportation may be suspended for a time to allow of him making a defence.

Sir GRANVILLE RYRIE (North Sydney—Honorary Minister) [10.53].—There is no chance of the deportation decision being reversed. Shroeder's case has hung on so long, because he has made excuses from time to time for remaining in Australia. He has been on parole to report himself, and has broken his word. Now, at the last minute, he asks to be permitted to remain longer in Australia, because of the proceedings taken against him in the Divorce Court by his wife. I know some of the facts, which I shall not discuss here, and I assure the honorable member that there is nothing to warrant us in allowing Shroeder to remain in the country any longer. It would not be to any one's benefit for him to stay here, and he will be deported within the next few days.

Question resolved in the affirmative.

House adjourned at 10.54 p.m.

Members of the House of Representatives.

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Chairman of Committees—The Honorable John Moore Chanter.

Anstey, Frank ..	Bourke (V.)	Jackson, David Sydney ..	Bass (T.)
* Atkinson, Llewelyn ..	Wilmot (T.)	Johnson, Hon. Sir Elliot, Lang, (N.S.W.)	K.C.M.G.
⁷ Bamford, Hon. Frederick Herbert (Q.)		Jowett, Edmund ..	Grampians (V.)
William		⁵ Kerby, Edwin Thomas Ballarat (V.)	John
Bayley, James Garfield ..	Oxley (Q.)	Lamond, Hector ..	Illawarra (N.S.W.)
Bell, George John, C.M.G., Darwin (T.)		Lavelle, Thomas James ..	Calare (N.S.W.)
D.S.O.		Lazzarini, Hubert Peter ..	Werriwa (N.S.W.)
Best, Hon. Sir Robert Kooyong (V.)		Lister, John Henry ..	Corio (V.)
Wallace, K.C.M.G.		Livingston, John ..	Barker (S.A.)
Blakeley, Arthur ..	Darling (N.S.W.)	Mackay, George Hugh ..	Lilley (Q.)
Blundell, Hon. Reginald Adelaide (S.A.)		Mahon, Hon. Hugh ..	Kalgoorlie (W.A.)
Pole		Mahony, William George	Dalley (N.S.W.)
Bowden, Eric Kendall ..	Nepean (N.S.W.)	Makin, Norman John	Hindmarsh (S.A.)
Brennan, Frank ..	Batman (V.)	Oswald	
Bruce, Stanley Melbourne, Flinders (V.)		Maloney, William ..	Melbourne (V.)
M.C.		Marks, Walter Moffitt ..	Wentworth (N.S.W.)
Burchell, Reginald John, Fremantle (W.A.)		Marr, Charles William Parkes (N.S.W.)	
M.C.		Clanan, D.S.O., M.C.	
Cameron, Donald Charles, Brisbane (Q.)		Mathews, James ..	Melbourne Ports (V.)
C.M.G., D.S.O.		Maxwell, George Arnot ..	Fawkner (V.)
Catts, James Howard ..	Cook (N.S.W.)	¹ McDonald, Hon. Charles ..	Kennedy (Q.)
Chanter, Hon. John Riverina (N.S.W.)		⁶ McGrath, David Charles ..	Ballarat (V.)
Moore		McWilliams, William James	Franklin (T.)
Chapman, Hon. Austin ..	Eden-Monaro (N.S.W.)	Moloney, Parker John ..	Hume (N.S.W.)
⁹ Charlton, Matthew† ..	Hunter (N.S.W.)	Nicholls, Samuel Robert ..	Macquarie (N.S.W.)
⁴ Considine, Michael Patrick Barrier (N.S.W.)		Page, Earle Christmas Cowper (N.S.W.)	
Cook, Right Hon. Sir Parramatta (N.S.W.)		Grafton	
Joseph, P.C., G.C.M.G.		Page, Hon. James ..	Maranoa (Q.)
Cook, Robert ..	Indi (V.)	Poynton, Hon. Alexander, Grey (S.A.)	
Corser, Edward Bernard Wide Bay (Q.)		O.B.E.	
Cresset		Prowse, John Henry ..	Swan (W.A.)
Cunningham, Lucien Gwydir (N.S.W.)		Riley, Edward ..	South Sydney (N.S.W.)
Lawrence		Rodgers, Hon. Arthur Stan- Wannon (V.)	
Fenton, James Edward ..	Maribyrnong (V.)	islaus	
⁸ Fleming, William Mont- Robertson (N.S.W.)		Ryan, Hon. Thomas West Sydney	
gomerie		Joseph, K.C.	(N.S.W.)
Foster, Hon. Richard Wakefield (S.A.)		Ryrie, Sir Granville de North Sydney	
Witty		Laune, K.C.M.G., C.B.	(N.S.W.)
² Fowler, Hon. James Perth (W.A.)		Smith, Hon. William Denison (T.)	
Mackinnon		Henry Laird	
Francis, Frederick Henry Henty (V.)		Stewart, Percy Gerald ..	Wimmera (V.)
Gabb, Joel Moses ..	Angas (S.A.)	Story, William Harrison ..	Boothby (S.A.)
Gibson, William Gerrard Corangamite (V.)		Tudor, Hon. Frank Gwynne	Yarra (V.)
Greene, Hon. Walter Richmond (N.S.W.)		⁸ Watkins, Hon. David ..	Newcastle (N.S.W.)
Massy		Watt, Right Hon. William Balaclava (V.)	
Gregory, Hon. Henry ..	Dampier (W.A.)	Alexander, P.C.	
Groom, Hon. Littleton Darling Downs (Q.)		West, John Edward ..	East Sydney (N.S.W.)
Ernest		Wienholt, Arnold ..	Moreton (Q.)
Hay, Alexander ..	New England (N.S.W.)	Wise, Hon. George Henry ..	Gippsland (V.)
Higgs, Hon. William Guy Capricornia (Q.)			
Hill, William Caldwell ..	Echuca (V.)		
Hughes, Right Hon. William Bendigo (V.)			
Morris, P.C., K.C.			

1. Sworn 27th February, 1920.—2. Sworn 3rd March, 1920.—3. Appointed Temporary Chairman of Committees, 4th March, 1920.—4. Made affirmation, 5th March, 1920.—5. Election declared void, 2nd June, 1920.
 —† Sworn 11th May, 1920.—6. Elected 10th July, 1920. Sworn 21st July, 1920.
 7. Appointed Temporary Chairman of Committees, 13th May, 1920.

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